

STANDARD AGREEMENT AMENDMENT

STD. 213 A (Rev 6/03)

☒ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 1 Pages

AGREEMENT NUMBER	AMENDMENT NUMBER
TD-ONS-01	# 2
REGISTRATION NUMBER	

- This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
Department of General Services, Telecommunications Division
CONTRACTOR'S NAME
MCI WORLDCOM Communications, Inc.
- The term of this Agreement is 2-01-02 through 2-01-06
- The maximum amount of this \$
Agreement after this amendment is:
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:
 - This amendment is effective as of February 1, 2005.
 - The term is being extended through February 1, 2006 for the limited purpose of maintaining public payphone calling services under the Agreement, as set forth in the letter from DGS to Contractor, dated January 31, 2005 (a copy of which is attached hereto and made part of this Amendment #2). In connection with such public payphone services, and without limited the specific Contract changes listed below, the parties expressly agree that Contractor shall have no reporting or commission payment obligations for the public payphone services during the period of this Amendment #2. Further, except for Contractor's remaining transition activities under Exhibit D, Section 2.b of the Agreement, if any, Contractor shall have no further obligations or responsibilities under this Agreement for inmate/ward telephone services.
 - Exhibit D, Section 3 – Delete.
 - Exhibit D, Section 22(a), 3rd sentence (added by Amendment #1) - Termination for Replacement will become effective, and transition of services related thereto may begin, no earlier than thirty (30) days after the Contractor receives written Notice of Termination from the State.
 - Exhibit E – See Attachment 1 (1 page).

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) <u>MCI WORLDCOM Communications, Inc.</u>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
STATE OF CALIFORNIA		<input type="checkbox"/> Exempt per:
AGENCY NAME <u>Department of General Services, Telecommunications Division</u>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <u>Barry Hemphill, Deputy Director</u>		
ADDRESS <u>601 Sequoia-Pacific Boulevard, Sacramento, CA 95814</u>		

Agreement TD-ONS-01
Amendment #2

Attachment 1
Page 1 of 1

- Exhibit E, Section 5, 4th sentence (added by Amendment #1) - Termination for Replacement will become effective, and transition of services related thereto may begin, no earlier than thirty (30) days after the Contractor receives written Notice of Termination from the State.
- Exhibit E, Attachment IX, Note (per Amendment #1), the first sentence is deleted and the following text is added: "The parties agree that the Contractor will provide an additional 70 public payphones. Notwithstanding any contrary provision in the Agreement, including but not limited to Exhibit D, Section 13, such additional public payphones are not required to be new, but must be clean and in good working order."
- Exhibit E, Attachment X: Delete entire list and replace with:
 - Pacific Telemanagement Services
 - TelCom Data
 - National Outdoor Media
- Exhibit E, Delete:
 - Section 1(pages 1-2 of 34)
 - Section 2 (page 2 of 34)
 - Section 6 (page 3 of 34)
 - Section 7 (page 3 of 34)
 - Section 11 (pages 4-5 of 34)
 - Section 31 (page 8 of 34)
 - Section 40 (page 12 of 34)
 - Attachments I, V, VI, VII & VIII (pages 14, 18-21 of 34)

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

1. Contractor agrees to provide to State and Local Agency or Governmental entities empowered to expend public funds Inmate/Ward Phone Systems and Public Payphone Services as described herein:

Contractor will provide coin and non-coin local, intralata, interlata, interstate and international inmate/ward and public payphone calling services in Territories I, II, and IV. Contractor will provide interlata, interstate and international inmate/ward and public payphone calling services in Territory III.

The State or local agencies obtaining inmate/ward calling services are identified in Exhibit E, Attachment XII hereto.

The State of California wishes to ensure that reliable, extensively available public pay telephones services are provided to its citizens, taxpayers, tourists, visitors, correctional inmates/wards and others who wish to place a call from a State owned or leased property. The purpose of this contract is to secure these types of services and associated maintenance for all pay telephones located on State of California property, and on the property of non-State agencies that have joined or may in the future join the State's contract.

2. The services shall be performed at Locations on the State of California property, and on the property of non-State agencies as identified in Exhibit E, Attachment IX that have joined or may in the future join the State's contract.
3. The services shall be provided during twenty-four (24) hours a day, seven (7) days a week. This requirement for service availability may only be constrained, on an individual location basis, where twenty-four (24) hour access is restricted and where this access restriction is beyond the control of the Contractor.
4. The project representatives during the term of this agreement will be:

State Agency: Department of General Services	Contractor: MCI WORLDCOM
Name: Chris Tom-Albertson	Name: Ken McNeill
Phone: (916) 657-9931	Phone: (916) 799-1936
Fax: (916) 657-6168	Fax: (916) 799-1977

Direct all inquiries to:

State Agency Department of General Services	Contractor: MCI WORLDCOM
Section/Unit: Telecommunications Division	Section/Unit:
Attention: Contracts Unit	Attention: Michael Patterson
Address: 601 Sequoia Pacific Boulevard	Address: 11080 White Rock Rd. suite 100, Rancho Cordova, CA 95670
Phone: (916) 657-9931	Phone: (916) 779-1922
Fax:	Fax: (509) 752-6309

5. Detailed description of work to be performed and duties of all parties. Address the following issues as applicable:

EXHIBIT A
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- Specifications, requirements: Refer to Exhibits D and E
- Personnel, staffing: Refer to Contractors list of participating Subcontractors on Exhibit E, Attachment X
- Coordination will be between Contractor and participating agencies.
- Results, deliverables as required under Exhibits D and E
- Timelines, as referenced in Exhibits D and E
- Evaluation, acceptance requirements as listed in Exhibits D and E

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Name
Office
Address

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment by the State will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

Revenue concession fee payment terms are identified in Exhibit E.

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS

GTC 201, effective as of 01/01/2002:

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, PCC 10115 et seq., CCR Title 2, Section 1896).

5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer waste and secondary waste as defined in the Public Contract Code, Sections 12161 and 12200, in materials, goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code, Sections 12161 and 12200. Contractor may certify that the product contains zero recycled content. (PCC 10233, 10308.5, 10354)

EXHIBIT C
(Standard Agreement)

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in document the CCC201 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1). "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2). "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

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(Standard Agreement)

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: "For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with, that:

- a). The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b) The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be effected thereby.

18. UNION ORGANIZING For all contracts, except fixed price contracts of \$50,000 or less, the Contractor acknowledges that:

By signing this agreement Contractor hereby acknowledges the applicability of Government Code Section 16645 through Section 16649 to this agreement and agrees to the following:

- a) Contractor will not assist, promote or deter union organizing by employees performing work on a state service contract, including a public works contract.
- b) No state funds received under this agreement will be used to assist, promote or deter union organizing.
- c) Contractor will not, for any business conducted under this agreement, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing, unless the state property is equally available to the general public for holding meetings.
- d) If Contractor incurs costs, or makes expenditures to assist, promote or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and that Contractor shall provide those records to the Attorney General upon request.

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. Definitions

- a. **Equipment** - An all inclusive term which refers either to individual components or to a complete telecommunications system or subsystem, including all peripheral telecommunication equipment, enclosures, shelters, etc. as listed in Exhibit E, Attachment I.
- b. **Contractor Services** - Equipment, Equipment Software, and Telephone Services identified in Exhibit E, Additional Provisions, and Exhibit E, Attachment I.
- c. **Equipment Failure** - A malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment's intended function(s). If microcode or Operating Software, residing in the Equipment, is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment's intended functions shall be deemed to be an Equipment Failure.
- d. **Operational Use Time** - For performance measurement purposes, that time during which Equipment is in actual operation on State owned or leased premises.
- e. **Preventive Maintenance** - That maintenance, performed on a scheduled basis by the Contractor, which is designed to keep the Equipment in proper operating condition.
- f. **Remedial Maintenance** - That maintenance performed by the Contractor which results from Equipment (including Operating Software) failure, and which is performed as required; i.e., on an unscheduled basis.
- g. **Facility Readiness Date** - The date specified in the order by which the State must have the site prepared and available for Equipment delivery and installation.
- h. **Installation Date** - The date specified in the order by which the Contractor must have the ordered Equipment installed and ready (certified) for use by the State at the specified location.
- i. **Performance Period** - A period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed Equipment and Software prior to its acceptance by the State.
- j. **PATS Agent** - The Public Access Telecommunications Services Agent. The State or Local Agency representative responsible for each agency's Public Access Telecommunication Equipment/Service.
- k. **Service Request Notice** - The form for ordering Equipment/services from the PATS Contract attached as Exhibit E, Attachment III and IV.
- l. **Software** - An all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Contractor, including Operating Software, programming aids, application programs, and program products, all of which are proprietary to Contractor.
- m. **Inmate Payphones** - Pay phones installed in a State correctional facility or State mental hospital.

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- n. **State** – Except as to the payment and contract administration terms specified in this contract – wherein a distinction is made between the State, including its constituent agencies and bodies, and agencies of lower political and public entities and within the State, including municipalities and public institutions – the term “State” shall include all participating State agencies as listed in Exhibit – E, Attachment IX.
- o. **Operating Software** - Routines, whether or not identified as program products, that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which serve as an interface between the operator, other Contractor- supplied programs, and user programs and the Equipment.
- p. **Programming Aids** - Contractor-supplied programs and routines executable on the Contractor's Equipment which assist a programmer in the development of applications (including language processors, sorts, communications modules, data base management systems, and utility routines, tape-to-disk routines, disk-to-print routines, etc.).
- q. **Application Program** - A computer program which is intended to be executed on the Contractor's Equipment for the purpose of performing useful work for the user of the information being processed.
- r. **Program Product** - Programs, routines, subroutines, and related items which are proprietary to the Contractor.
- s. **Software Failure** – A malfunction in the Contractor supplied Software, other than Operating Software, which prevents the accomplishment of work, even though the Equipment (including its Operating Software) may still be capable of operating properly. For Operating Software failure, see 3c for definition of Equipment Failure.
- t. **PATS** - Public Access Telecommunications Services.
- u. **PCC** - Public Contract Code.
- v. **FCC** - Federal Communications Commission.
- w. **CPUC** - California Public Utilities Commission.
- x. **Territory I** – To include all of the SBC Pacific Bell's local exchange geographical areas defined by the CPUC within LATAs 1, 2, 3, and 9.
- y. **Territory II** – To include all of the SBC Pacific Bell's local exchange geographical areas defined by the CPUC within LATAs 4 through 8 and 10.
- z. **Territory III** – To include all of the Verizon of California Incorporated utility's local exchange geographical areas defined by the CPUC within LATAs 1 through 11. Excluding the old Continental Telephone utility's local exchange previously defined under Territory IV.
- aa. **Territory IV** – To include all of the old Continental Telephone utility's local exchange geographical areas defined by the CPUC within LATAS 1 through 10.
- bb. **Agreement** – The work “Agreement” is synonymous with the word “Contract”. Therefore, these terms are interchangeable throughout this Contract and are to be interpreted as being identical in meaning.

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- cc. **Contract coverage** – To include service in Territory I, II, III, and IV as defined above as well as Citizens Utility and Roseville Telephone areas. Contractor will provide coin and non-coin local, intralata, interlata, interstate and international inmate/ward and public payphone calling services in Territories I, II, and IV. Contractor will provide interlata, interstate and international inmate/ward and public payphone calling services in Territory III.

2. Contractor Commitments, Warranties, and Representations

a. **Commitments**

Any written commitment by a duly authorized representative of the Contractor within the scope of this Agreement shall be binding upon the Contractor. Failure of the Contractor to fulfill any such commitment shall render the Contractor liable for liquidated or other damages due to the State as set forth herein. Such written commitments include (1) any warranty or representation expressly made by the Contractor as to Equipment or Software performance, total system performance, or other physical design or functioning characteristics of a machine or software system, (2) any warranty or representation expressly made by the Contractor concerning the characteristics of the items described in (1) above, made in any publication, drawings, or specifications accompanying or referred to in the Contract, and (3) any written notification of or affirmation or representation as to the above which is made by the Contractor in or during the course of negotiations and which is incorporated into a formal amendment to the Contract.

b. Contract Transition Period

****As of 2/1/2005 "no further obligations or responsibilities under this agreement for inmate/ward telephone systems."**

During the Contract transition period, Contractor agrees to fully cooperate with the State during the transition to a new service provider. Upon contract award pursuant to the upcoming RFP, Contractor and the State will begin the transition/changeover period to the new inmate and public payphone provider. In the event that the transition/changeover takes longer than the contract term, including any renewals, Contractor agrees to extend the contract termination date on a month-to-month basis in order to cover the entire transition period, at mutually agreed-upon terms and conditions. During the transition/changeover period existing equipment will be replaced by the new service provider pursuant to the upcoming RFP.

During the contract transition period the Contractor will:

- (1) continue to provide services under the terms and conditions of this Agreement for those payphones that remain in service under this Agreement during the transition/changeover period;
- (2) work with the State and the new service provider to completely transition the State's payphones to the new service provider and to coordinate the removal of the Contractor's existing payphones;
- (3) ensure that the State's payphone users will have continuity of service and will continue to receive reliable and high quality service for those payphones of Contractor that remain in service during the transition/changeover period;
- (4) maintain all inmate payphone network functionality, capabilities, and services at those locations where Contractor continues to provide services; and
- (5) allow the State to rent inmate payphone monitoring/recording systems that will be used by the State at the rates set forth in Exhibit E, Attachment XIII. The monitoring/recording

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systems will function as a standalone system and will be located at locations determined by the CDC PATS Agent. The monitoring/recording systems will be used to access previously recorded information. Contractor will retain previously recorded information on-site for up to one (1) year from the date of such recording.

Prior to the expiration of this Agreement:

- (a) the State will coordinate with the Contractor for the removal of equipment during the transition period;
- (b) the State may choose to purchase from Contractor up to four (4) playback and storage system(s) at the rates set forth in and as specified in Exhibit E, Attachment XIII.

~~3. Liquidated Damages **As of 2/1/2005, DELETE this section~~

~~a. **General**~~

~~The Installation Dates of the Contractor Services set forth in the Exhibits hereto have been fixed so that the utilization of the Contractor Services is consistent with the timing schedules of the State's programs. If any of the units of Contractor Services are not installed within the times specified in the Service Request Notice, the delay will interfere with the proper implementation of the State's programs, to the loss and damage of the State. From the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. The State and the Contractor, therefore, presume that in the event of any such delay the amount of damage which will be sustained from a delay will be the amounts set forth in Exhibit E, Attachment I, and the State and the Contractor agree that in the event of any such delay, the Contractor shall pay such amounts as liquidated damages and not as a penalty. Amounts due the State as liquidated damages may be deducted by the State from any money payable to the Contractor. The State shall notify the Contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date State deducts such sums from money payable to the Contractor.~~

~~b. **Contractor Services Installation Delays Caused by the Contractor**~~

- ~~(1) If the Contractor does not install the Contractor Services, ready for use as listed under the Service Request Notice, on or before the Installation Date(s) specified in the Service Request Notice, the Contractor shall be liable for fixed liquidated damages specified in Exhibit E, Attachment I, in lieu of all other damages for such non-installation. Liquidated damages shall accrue for each calendar day between the Installation Date specified in the Service Request Notice, and the date the Contractor Services is certified ready for use or 180 calendar days, whichever occurs first.~~
- ~~(2) If some, but not all of the Contractor Services is installed, ready for use during a period of time when liquidated damages are applicable, and the Contractor Services are used, liquidated damages shall not accrue against the Contractor Services used for any calendar day the Contractor Services are so used.~~
- ~~(3) In the event the Contractor fails to install the Contractor Services within thirty (30) days from the Installation Date set forth in the Service Request Notice, the State may obtain replacement Contractor Services. In such event, the Contractor shall be liable for liquidated damages until the replacement Contractor Services is installed and ready for use, or for 180 days from the Installation Date, whichever occurs first.~~

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4. Continuing Standards of Performance

The Contractor agrees that subsequent to completion of the successful Performance Period and acceptance of the Contractor Services by the State, the availability and/or performance requirements and criteria established will be met throughout the full term of the Contract.

5. Equipment

a. Maintenance of Equipment

The Contractor is responsible to maintain the Equipment under this Contract. The Contractor shall keep the Equipment in good operating condition and shall be responsive to the maintenance requirements of the State. Equipment maintenance shall be provided in accordance with the provisions of Exhibit E.

b. Equipment Replacement

Contractor intends to replace the existing inmate telephone system (ITS) equipment in the correctional facilities— with the GlobalTelLink/Lazerphone system, beginning with the signing of this contract and in accordance with the schedule in Exhibit E, Attachment XII. In such event, California Department of Corrections (CDC) will work with Contractor to facilitate its replacement efforts. Contractor may elect to replace its ITS equipment at CDC camps and CYA locations with network or premise-based ITS systems, as listed in Exhibit E, Attachment XII. CYA facilities will not use recording features of the GlobalTelLink/Lazerphone system. In the event the recording feature is used by a CYA facility, the applicable rates and surcharges will be the same rates charged for calls from correctional institutions.

During replacement of existing ITS equipment, Contractor will provide the State at no cost up to four (4) MagnaSync playback systems as a standalone system to be used at locations determined by the CDC PATS Agent.

In the event the State terminates Contractor's services at the CDC Institutions/Camps, and or CYA Facilities/Camps prior to the end of this three-year contract, the State shall reimburse to Contractor the applicable costs per unfulfilled month as stated in Exhibit E, Attachment XIV.

c. Inmate Pay Phone Training

In the event the Contractor replaces any or all of the existing inmate telephone system components, e.g., call control, monitoring and/or recording equipment, with components of a different model or of a different manufacture, the Contractor shall provide on-site training to State employees. Such training shall be specific modular training for site administrators, investigative staff and separate training for train-the-trainer instructors.

All training instructors, materials and documentation will be provided by the Contractor at no cost to the State.

At a minimum, the follow types of training content are to be provided to the State:

1. Inmate Training: If requested by the State, the Contractor will provide to the State videotapes that explain how an inmate places an inmate telephone call. These videotapes may be played to inmates by the State so that they understand how an inmate telephone call is placed. In addition, the Contractor will provide the State inmate telephone instructional brochures,

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which will explain how an inmate places an inmate call. Contractor and State shall mutually agree upon quantities of videotapes and brochures to be supplied.

2. Initial Training Program: The initial training population includes site administrators and investigative staff, totaling approximately 10 trainees per site, the Contractor will perform the initial training with the objective of accomplishing the such training for all trainees within as close a time period to system cut over as reasonable. Train the Trainer classes will be provided to State staff by the Contractor.

3. On Site Training: On site training will occur at each cutover and will be the responsibility of the Contractor. All training materials, documentation and overviews will be provided.

4. Help Desk: Throughout the term of the contract, the Contractor shall provide a toll-free Help Desk number.

5. Training Course Content: Inmate Call Control System Training is composed of three primary components: a system overview, system administration and investigative operations. Training Documentation will be available for each trainee and will remain with the trainee for future reference.

System Overview During Initial Training: The system overview will describe at a basic level, how the system is configured across the state, what operations take place in a correctional facility. This component will also describe the problem reporting and resolution path and access to the Help Desk.

System Administration Training: The administrative component of the training course is designed to inform users how to access and exit the system, create inmate accounts, set calling parameters and restrictions, generate the wide range of reports, and how to identify problems. The course also describes how the inmates will be instructed to use the system to make telephone calls.

Investigative Operations Training: The investigative component describes use of the system's investigative tools and operations, integration of the recorder's call monitoring capability, and the generation and interpretation of investigative reports.

6. Transportation, Installation, Relocation, Return of Equipment

a. Transportation

- (1) Shipments to and from the installation site shall be the responsibility of the Contractor.
- (2) Contractor shall bear the cost of transportation, rigging and/or drayage whenever Equipment is shipped or moved for mechanical replacement and was not due to fault or negligence by the State.

b. Installation

- (1) The installation of Contractor Services shall be the responsibility of the Contractor.
- (2) (Public Payphones) Contractor must install Public Payphone Equipment within thirty (30) days from receipt of a Service Request Notice. In the event the Service Request Notice requires installation of ten (10) or more public payphones, then the installation date will be mutually agreed upon by the State and Contractor. (Inmate Telephones) Inmate monitoring and recording equipment must be installed within thirty (30) days from receipt

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of a Service Request Notice unless the State and Contractor mutually agree on a different timeframe. In the event the Service Request Notice requires installation of ten (10) or more inmate payphones, then the installation date will be mutually agreed upon by the State and Contractor.

- (3) The State shall provide the Contractor access to the site for the purpose of installing the Contractor Services prior to the Installation Date. The State shall also be responsible for inside wiring associated with the installation. The Contractor shall specify in writing the time required to install the Contract Services. The State cannot guarantee that the Contractor will be allowed unlimited access to inmate facilities at all times and the Contractor will need to factor these considerations into its day-to-day activity at inmate locations.
- (4) The PATS Contractor shall bear the total cost of installing, providing, and maintaining telephone line access services to each Public Access Telecommunications Services site that is reasonably accessible.
- (5) The State may require that "inmate phones" be installed flush to the wall with no user access to the rear of the phone.
- (6) The State shall bear the total cost of providing, installing, and maintaining electrical services to each Public Access Telecommunications Services site. Any lighting determined by the State to be needed in addition to that which may be provided in the pay telephone enclosure will be the responsibility of the State.

c. Relocation

- (1) Except in an emergency, Equipment provided under this Contract shall not be moved from the location in which installed, unless the Contractor has been notified by the State or its representative that the move is to be made.
- (2) Upon thirty (30) days' prior written notification to the Contractor, specifying the new location, Equipment may be transferred from one State location to another.
- (3) The Contractor shall arrange and pay for all transportation, installation, disconnection and damage charges for such relocation.
- (4) Rearrangement of Equipment on the same site for State convenience shall be at State expense if such changes are directed solely by the State and not mutually decided by State and Contractor to improve revenues.

d. Return of Equipment (Non-Inmate Phones)

Within thirty (30) days after receipt of instruction or date of discontinuance of Contractor service, whichever is later, the Contractor shall cause the Equipment to be removed from State premises in coordination with the State and its new service provider and in accordance with the Phase-out plan developed by the Contractor and approved by the State.

7. Documentation

The Contractor agrees to provide to the State at charges no more than those made by Contractor to its other customers for similar publications a reasonable number of all nonproprietary manuals and other printed materials, and updated versions thereof, which are necessary or useful to the State in its use of the Contractor Services provided hereunder. The Contractor agrees to provide

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additional documentation at prices not in excess of charges made by the Contractor to its other customers for similar documentation.

8. Confidentiality of Data

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Agreement, or which become available to the Contractor in carrying out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph.

The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information that is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Agreement, or is rightfully obtained from third parties. The State acknowledges that certain Contractor information provided to the State in the performance of this Contract may, in whole or in part, contain information that constitutes a trade secret, as defined by Evidence Code 1060 et seq. In the event of a request for disclosure of this information pursuant to Government Code Section 6250 et seq., or on any other basis, State shall advise Contractor in a timely manner for the purpose of Contractor asserting a trade secret privilege and pursuing appropriate protective orders.

9. Need for Contractor Services Due to Emergency

- a. The Contractor shall make every reasonable effort to assist the State in procuring use of Contractor Services compatible with that provided under this Contract to meet emergencies.
- b. The State, at its option, may accept or reject the offer of use of emergency Equipment.

10. Patents, Copyright and Trade Secret Protection

- a. Contractor, at its expense, will defend the State from and against any third party claim, action, suit, or proceeding ("Claim") alleging that the Contractor transport network or any technology developed and provided by Contractor to the State hereunder (individually a "Service" and collectively the "Services"), when used in conformity with all applicable written instructions and documentation, infringes any U.S. patent, trademark, or copyright or constitutes misappropriation of a trade secret under U.S. law. Contractor will indemnify the State for damages finally awarded against the State or agreed to by Contractor in settlement of such Claim, and for the State's reasonable costs incurred as a result of such Claim. Contractor shall have the exclusive right to defend, countersue, or settle any such Claim and to collect all damages, costs, fees, and other charges awarded from any such Claim. Contractor's obligation to defend and indemnify the State is contingent upon (a) the State providing Contractor prompt written notice of any Claim; and (b) the State providing Contractor, at Contractor's expense, all information and assistance requested by Contractor to settle, defend, or bring a countersuit in conjunction with any Claim.
- b. Notwithstanding anything to the contrary herein, Contractor shall have no obligation to defend or indemnify the State for any Claim arising out of or relating to (a) designs or specifications

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provided by the State, (b) use of any service or product provided hereunder other than in conformance with the applicable written instructions and documentation provided by Contractor, (c) modifications to any service or product provided hereunder made by or on behalf of the State where but for such modifications there would have been no claim of infringement or misappropriation, (d) use of any service or product provided hereunder in combination with any other products or services where but for this combination there would have been no claim of infringement or misappropriation, or (e) transmission of the State supplied content, data, or other information.

- c. If the State's use of any Service is enjoined or otherwise prohibited, or if Contractor reasonably believes that there exists a threat of the same, Contractor shall have the right, in its sole discretion and at its expense, in addition to its indemnification obligations above, to: (i) obtain for the State the right to continue to use the affected Service; (ii) replace the affected Service with a non-infringing service; (iii) modify the affected Service so that it becomes non-infringing; or (iv) terminate provision of the affected Service and/or terminate this Agreement.
- d. THIS SECTION SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE STATE, AND THE ENTIRE OBLIGATION AND LIABILITY OF CONTRACTOR, AS TO ANY CLAIMS OF INFRINGEMENT OR MISAPPROPRIATION OF THIRD PARTY RIGHTS IN CONNECTION WITH ANY SERVICES, PRODUCTS, OR OTHER DELIVERABLES PROVIDED HEREUNDER.

11. Risk of Loss or Damage

The State shall be relieved from all risks of loss or damage to the Equipment provided under this Contract except when such loss or damage is due to fault or negligence of the State.

12. Contractor's Liability for Injury to Persons or Damage to Property

The Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of the State, employees of the State, or any other person(s), designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Contractor Services whether at the Contractor's site or at the State's place of business, provided that the injury or damage was caused by the fault or negligence of the Contractor. For purposes of clarity, the provisions of this Article 12 replace and supercede the Article 5 of the General Terms and Conditions.

13. Warranty

- a. The Contractor warrants that all Equipment to be installed during the term of this Contract when installed will be in new or like-new condition and good working order and will conform to the Manufacturer's published specifications. If the Contractor is responsible to maintain the Equipment provided under this Contract, the Contractor will make all adjustments, repairs, and parts replacements necessary to maintain the Contractor Services in this condition. ALL EQUIPMENT WHICH HAS PREVIOUSLY BEEN INSTALLED AS OF THE EFFECTIVE DATE OF THIS AGREEMENT IS ACCEPTED BY THE STATE AS MEETING ALL CONDITIONS OF THIS PARAGRAPH. All Contractor Services are supplied subject to these warranties.
- b. Except as is otherwise provided in this Contract, all of the Contractor's obligations and liabilities with respect to this specific warranty provision are limited to repair or replacement of Contractor Services when either the State or the Contractor determines that the Contractor Services do not conform to the warranties stated above.

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- c. EXCEPT AS PROVIDED HEREIN, THE CONTRACTOR DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

14. Limitation of Liability

- a. IN NO EVENT WILL THE CONTRACTOR OR THE STATE BE LIABLE FOR CONSEQUENTIAL, SPECIAL, PUNITIVE, INCIDENTAL, OR INDIRECT DAMAGES EVEN IF NOTIFICATION HAS BEEN GIVEN AS TO THE POSSIBILITY OF SUCH DAMAGES.
- b. NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN SHALL LIMIT CONTRACTOR'S LIABILITY FOR PERSONAL INJURY AND DAMAGES TO TANGIBLE PROPERTY CAUSED BY CONTRACTOR'S NEGLIGENCE OR TORTIOUS ACT.

15. Disputes

- a. Any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time (by the Contractor and State employees normally responsible for the administration of this contract shall be brought to the attention of the Chief Executive Officer (or designated representative) of each organization for joint resolution (Public Contract Code Section 22200 and California Code of Regulations, Title 1, Section 300 et seq.). At the request of either party, the State shall provide a forum for discussion of the disputed item(s), at which time the State Chief of Procurement, or his representative, shall be available to assist in the resolution by providing advice to both parties as to the State of California policies and procedures. If agreement cannot be reached through the application of high-level management attention, either party may assert its other rights and remedies within the Contract or within a court of competent jurisdiction.
- b. The State and the Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their responsibilities under this Contract which are not affected by the dispute. For purposes of clarity, the provisions of this Article 15 replace and supercede the Article 6 of the General Terms and Conditions.

16. Contractor's Power and Authority

The Contractor warrants that it has full power and authority to grant the rights herein granted and will hold the State hereunder harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party, which might abridge any rights of the State under this Contract.

17. Title to Equipment

Title to Equipment, accessories, and devices utilized by the Contractor in performing this Contract shall not vest in the State, unless such items are purchased by the State. All devices and accessories furnished by the Contractor hereunder, except those purchased by the State, shall remain the property of the Contractor.

18. Force Majeure

Except for defaults of subcontractors, neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of the offending party. Such acts shall include but shall not be limited to acts of God, fire, flood, earthquake, other natural disaster, act of war, unforeseeable malicious or criminal acts by third parties, nuclear accident, strike, lockout, riot,

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freight embargo, public regulated utility, or governmental statutes or regulations superimposed after the fact. If a delay or failure in performance by the Contractor arises out of a default of its subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.

19. Waiver of Breach

No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by an individual authorized to so waive or consent. Any consent by either party to, or waiver of, a breach by the other, whether express or implied, shall not constitute a consent to, waiver of, or excuse for any other breach or subsequent breach, except as may be expressly provided in the waiver or consent.

20. Conflict With Existing Law

The Contractor and the State agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either party having knowledge of such term or provision shall promptly inform the other of the presumed non-applicability of such term or provision. Should the offending provision go to the heart of the Contract, the Contract shall be terminated in a manner commensurate with the interests of both parties, to the maximum extent reasonable.

21. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the State of California, except to the extent the Communications Act of 1934, as amended, Federal Communications Commission (FCC) rules or regulations, or any other applicable federal law applies.

22. Termination of Contract

- a. The State may terminate performance of work under this Contract in whole or in part, for the State's convenience, if the Department Director or designee determines that a termination is in the State's interest. The Department Director or designee shall terminate by delivering to the Contractor a Notice of Termination specifying the extent of termination and the effective date thereof. *(Added by Amendment #1) Termination for Replacement will become effective, and transition of services related thereto may begin, no earlier than thirty (30) days after the Contractor receives written Notice of Termination from the State.*
- b. After receipt of a Notice of Termination, and except as directed by the State, the Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in deferring or adjusting any amounts due under this clause. The Contractor shall:
 - (1) Stop work as specified in the Notice of Termination;
 - (2) As directed by the State, begin an orderly withdrawal of all Equipment provided under the terms of this Contract;
 - (3) Complete performance of the work not terminated;
 - (4) Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts; and;
 - (5) Contractor shall continue to pay pro rata concession fees to the State until the changeover of each phone or inmate payphone system site is completed. Provided,

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however, that the Contractor shall not be required to pay the guaranteed minimum concession fee amount. Once the changeover of each phone or inmate payphone system site is completed, the new service provider shall begin payment of concession fees for that phone site. At no time shall there be a break in concession fees to the State.

- (6) Take any action that may be necessary or as the State may direct for the protection and preservation of the property related to this Contract that is in the possession of the Contractor and in which the State has or may acquire an interest and to mitigate any potential damages or requests for the Contract adjustment or termination settlement to the maximum practical extent.
- c. At the completion of the Contractor's termination efforts, the Contractor may submit to the State a list, indicating quantity and quality of termination inventory not previously disposed of, and request instruction for disposition of the residual termination inventory.
- d. After termination, the Contractor shall submit a final termination settlement proposal to the Department Director or designee in the form and with the certification prescribed by the Department Director or designee. The Contractor shall submit the proposal promptly but no later than ninety (90) days from the effective date of termination, unless extended in writing by the State upon written request of the Contractor within the ninety (90) day period. However, if the Department Director or designee determines that the facts justify it, a termination settlement proposal may be received and acted on after the expiration of the filing period or any extension. If the Contractor fails to submit the proposal within the time allowed, the Department Director or designee may determine on the basis of information available, an equitable adjustment amount, if any, due the Contractor because of the termination and shall pay the amount determined.
- e. The Contractor and the State may agree upon the whole or any part of the amount to be paid because of the termination. The amount may include a reasonable allowance for profit on work done, including a reasonable amount for accounting, legal, clerical and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data; and storage, transportation and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory. The Contract shall be amended, and the Contractor paid the agreed amount.
- f. If the Contractor and the State fail to agree on the whole amount to be paid because of the termination of work, the State shall pay the Contractor the amounts determined by the State as follows, but without duplication of any amounts agreed on as set forth above:
 - (1) The Contract price for completed supplies or services accepted by the State (or sold or acquired) not previously paid for, adjusted for any saving of freight and other charges.
 - (2) The total of:
 - (i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but excluding any costs attributable to supplies or services paid or to be paid; and
 - (ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the Contract; and
 - (iii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection or disposition of the termination inventory.

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- g. The Contractor shall use generally accepted accounting principles and sound business practices in determining all costs claimed, agreed to, or determined under this clause. Such costs shall be allocable to the terminated Contract or portion thereof, allowable under applicable laws, regulations, generally accepted accounting principles and good business judgment and objectively reasonable.
- h. The Contractor shall have the right of appeal, under the Disputes clause, from any determination made by the State except that if the Contractor failed to submit the termination settlement proposal within the time provided and failed to request a time extension, there is no right of appeal. If the Department Director or designee has made a determination of the amount due, the State shall pay the Contractor (1) the amount determined if there is no right of appeal or if no timely appeal has been taken, or (2) the amount finally determined on appeal. Following any attempted administrative resolution with the Department Director or designee, the Contractor may proceed in accordance with the Disputes clause of this Contract.
- i. If the termination is partial, the Contractor may file a proposal with the Department Director or designee for an equitable adjustment of the price(s) of the continued portion of the Contract. The Department Director or designee shall make any equitable adjustment agreed upon. Any proposal by the Contractor for an equitable adjustment under this clause shall be requested within thirty (30) days from the effective date of termination unless extended in writing by the Department Director or designee.
- j. The State agrees that if the Contractor makes a capital investment to provide service to the State, and if the State cancels this Contract with the Contractor for any reason except for cause, then the State will reimburse the Contractor for the undepreciated portion of said capital investment. Payment to the Contractor will be at the book value of the undepreciated asset(s) at the time of contract cancellation. This amount shall become part of the Contractor's termination settlement proposal.
- k. Unless otherwise provided in this Contract or by the statute, the Contractor shall maintain all records and documents relating to the terminated portion of this Contract for three (3) years after final settlement. This includes all books and other evidence bearing on the Contractor's costs and expenses under this Contract. The Contractor shall make these records and documents available to the State, or the State's appointed representative(s), at the Contractor's office, at all reasonable times, without any direct charge. If approved by the State, photographs, microphotographs or other authentic reproductions may be maintained instead of original records and documents. Any third party acting on behalf of the Customer under this provision must execute WorldCom's standard Non-Disclosure Agreement prior to examining, inspecting, copying or auditing WorldCom's records.

23. Federal and State Laws, Rules, Regulations and Codes

The Contractor and all subcontractors shall ensure that all services and Equipment provided during the term of this Contract comply with all Federal and State laws, rules and regulations including but not limited to pricing, branding, provision of consumer information, access to interexchange carriers, accommodations for the handicapped and any applicable construction, electrical and safety codes.

The Contractor and subcontractors must agree to comply with, and hold the State of California harmless from, any subsequent rulings or findings of fact by the Federal Communications Commission (FCC) or the California Public Utilities Commission (CPUC) regarding Contractor's compliance under this Contract with the requirements of an aggregator. The term "aggregator" as used above is defined in the Telephone Operator Consumer Services Improvement Act of 1990.

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24. Unblocking of Equal Access Codes (Non-Inmate Payphones)

The Contractor agrees that all Equipment furnished for use on State of California owned and leased properties, with the exception of inmate payphones, will comply with all requirements of the Telephone Operator Consumer Improvement Services Act of 1990 and all related FCC requirements including but not limited to access to 1010XXX, 950 and 1-800 alternate interexchange carrier codes.

25. Contractor Evaluation

In accordance with the California Government Code, Contractor performance evaluation will be completed within the guidelines of the State Administrative Manual, Section 1283. The State contracting agency, upon Contract completion, will complete and forward the Contractor evaluation to the Department of General Services.

26. Forced, Convict and Indentured Labor

In accordance with PCC Section 6108, Contractor warrants that no foreign-made Equipment, materials, or supplies furnished to the State pursuant to this Contract are produced in whole or in part by forced labor, convict labor, or indentured labor.

27. List of Subcontractors

In performing the Contract Services hereunder, Contractor shall utilize the services of the subcontractors listed in Exhibit-E, Attachment X.

28. DVBE Participation

Contractor shall utilize the services of a certified Disabled Veteran Business Enterprise (DVBE) identified in Exhibit – E, Attachment X, to perform installation, maintenance and repair of payphones, inmate phones, monitors and any other related telecommunications equipment in accordance with the terms of this Contract.

29. Continuing Standards of Performance for Contractor Services

a. Applicability

This paragraph is applicable subsequent to acceptance of the Contractor Services by the State, and shall continue in force throughout the entire period of the Contract. If, however, both the Contractor and the State determine and agree, after at least six (6) months experience with the measurement method prescribed below, that the methods and procedures should be modified to more accurately identify gross system deficiencies, an appropriate contract amendment shall be executed to effect such modification.

b. Causes and Effects of Contractor Service Malfunctions

- (1) The State recognizes that Equipment Failures do occur, and that Software is not infallible. Moreover, the State concedes that conditions external to Equipment may cause it to fail, particularly environmental conditions, that are outside the Equipment design operating parameters. The State agrees, therefore, that unsatisfactory Contract Service performance which is outside the control of the Contractor will not be considered in a determination of the level of performance for the purposes of Paragraph 5 of the General Terms and Conditions.

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- (2) In the event Contractor Service failure or unsatisfactory performance is a result of factors external to the Equipment, the Contractor agrees to make appropriate recommendations to the State in order that such external factors may be corrected to preclude future problems of a similar nature.
- (3) In the event that the precise cause of the failure cannot be readily determined, both the State and the Contractor shall continue to research the situation until the probable cause has been identified or until agreement is reached that the probable cause cannot be identified.

c. Levels of Performance Required

In order to meet the programmatic requirements of the State, the Equipment must be capable, at a sustained basis, of providing the levels of service detail as described in Exhibit - E of this Contract.

d. Measurement of System Performance

All Contract Services provided under this Contract must be operational as a minimum, ninety-six percent (96%) of it's operational use time over any thirty (30) day period.

e. Remedies for Unacceptable Levels of Performance

If a Contractor Service does not meet the minimum level of performance the State shall promptly notify the Contractor in writing of such unacceptable performance and the Contractor shall promptly initiate action to remedy the unsatisfactory performance. Contractor shall, at its option, take one or more of the following actions to correct the situation:

- (1) Provide on site Contractor personnel for analysis of the problem;
- (2) Replace the faulty Equipment;
- (3) Provide substitute Equipment satisfactory to the State;
- (4) Modify the Equipment; or
- (5) Take any other action with which the State concurs.

If the Contractor fails to correct the situation to the satisfaction of the State during the thirty (30) calendar days following receipt of written notice from the State, the State and Contractor can mutually agree to extend the time beyond 30 days, then the State may (i) secure from the open market, at the Contractor's expense replacement Equipment, and/or (ii) terminate that portion of the Contract relating to the deficient Equipment. The above-described remedies are not intended to constrain either party from any other action mutually agreed to by the Contractor and the State as being more appropriate. The primary concern is the availability of Contractor Services for use by the State; Contract termination is the last eventuality to be undertaken only if all other actions prove non-productive.

f. Replacement or Substitution of Equipment by Contractor

If the Contractor, in an attempt to improve the level of performance, replaces or substitutes Equipment that meets all of the Contract requirements, such replacement or substitution shall not decrease any concessions owed to the State.

30. Assignment

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment. Provided, however, that Contractor may

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assign this Contract to any parent, subsidiary, affiliate or purchaser of all or substantially all of its assets without such consent. For purposes of clarity, the provisions of this Article 30 replace and supercede the Article 3 of the General Terms and Conditions.

31. Audit

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, PCC 10115 et seq., CCR Title 2, Section 1896). Any third party acting on behalf of the Customer under this provision must execute WorldCom's standard Non-Disclosure Agreement prior to examining, inspecting, copying or auditing WorldCom's records. For purposes of clarity, the provisions of this Article 31 replace and supercede the Article 4 of the General Terms and Conditions.

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ADDITIONAL PROVISIONS

~~1. Concession Fee Payments (Public Payphones) **As of 2/1/2005 DELETE~~

~~Contractor shall make concession Fee payments to the agency in accordance with Exhibit E, Attachments V, VI, VII or VIII as applicable, as designated on the Service Request Notice. Each agency will be responsible for providing the names of authorized personnel and account numbers in their agency for the purpose of receiving concession fee funds.~~

~~Payments representing concessions from pay telephone revenues shall be paid monthly no later than the 15th calendar day following the close of the month to the designated State agency. Payments representing concessions from any other services provided at the concession site as a result of this Contract shall be paid monthly, no later than the 15th calendar day following the close of the month.~~

~~Payment Terms and Review (Inmate Phones)~~

~~Except as set forth below in this Exhibit E, Contractor shall pay to the State of California concession fees over the initial thirty six (36) month period of this Agreement totaling a sum not to exceed Seventy-Eight Million, Three Hundred Eighteen Thousand and Nine Hundred Dollars (\$78,318,900); which averages Twenty-Six Million, One Hundred Six Thousand and Three Hundred Dollars (\$26,106,300) per year. During any contract extension period, Contractor shall pay to the State of California concession fee payment not to exceed a sum of Twenty-Six Million, One Hundred Six Thousand and Three Hundred Dollars (\$26,106,300) for a twelve-month period. Unless otherwise adjusted in accordance with this provision and attachments to this Exhibit E, Contractor's monthly concession fee payments to the State shall be Two Million One Hundred Seventy-Five Thousand Five Hundred and Twenty-Five Dollars (\$2,175,525) during the base term, which will be paid in two parts: Two Million Ninety Four Thousand Nine Hundred and Fifty Dollars (\$2,094,950) to the State of California General Fund and Eighty Thousand Five Hundred Seventy-Five Dollars (\$80,575) for State program costs.~~

~~The Parties agree to meet quarterly to review the Agreement's call volumes achieved to date as compared with the concession fee(s) paid to the State to date. If at any time during a quarterly review period the ratio of the annualized percentage of call volumes achieved to date compared to Contractor's 2001 annual call volumes exceeds the ratio of Contractor's annualized concession fee payments made to the State to date compared to the annual concession amount of \$26,106,300, Contractor and the State will increase the concession fee payment(s) to the State until such percentages are equal. If the ratio of annualized call volumes to date compared to 2001 annual call volumes is less than the ratio of Contractor's annualized concession fee payment(s) made to the State compared to the annual concession amount of \$26,106,300, no adjustment to the concession fee payments shall be required. However, in no event will the total concession fee payments due the State exceed \$78,318,900 for the initial thirty six (36) month period nor the total annual concession fee payments exceed \$26,106,300 for any extension year.~~

~~The following are conditions in which a change in the average monthly concession fee payment may be adjusted downward:~~

- ~~a. In the event CDC facilities/camps and CYA camp total annualized call volumes decrease any contract year when compared with the annual call volume of calendar year 2001, Contractor may request from the State a pro-rata reduction in the concession fee payment(s) which otherwise would be due to the State. If necessary,~~

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~~Contractor and State shall meet within ten (10) business days of Contractor's request to initiate discussions for resolution of Contractor's requested adjustment.~~

~~b. In the event CDC facilities/camps and CYA camp total annualized call volumes decrease twenty percent (20%) or more for any contract year when compared to the annual call volume for calendar year 2001, Contract shall be entitled to a pro-rata reduction in concession fee payment(s) which otherwise would be due to the State.~~

~~c. In the event CDC facilities/camps and CYA camp call volumes as a whole decrease more than forty percent (40%) for any contract year when compared with annual call volumes of calendar year 2001, the State shall not be entitled to concession fee payments. Contractor and State shall meet within ten (10) business days of Contractor's request to initiate discussion for the resolution of call volume decreases and concession fee payments to the State.~~

~~2. Management Information and Reports **As of 2/1/2005 DELETE~~

~~The State of California requires that the Contractor provide monthly reports on inventory, revenues and concessions. Minimum requirements are contained in this section.~~

3. Rates, Charges and FCC/CPUC Compliance

a. PATS Rates and User Charges

The Contractor shall not charge the pay telephone user more than those rates authorized by the CPUC for intrastate calls.

The Contractor shall charge the rates set forth in Exhibit – E, Attachment XI for California inmate phone service. These California local, Intralata, and Interlata Inmate rates will not change during the term of this Contract. WorldCom's provision of Services to Customer will be governed by WorldCom's international, interstate and state tariffs ("Tariff(s)") and WorldCom's "Service Publication and Price Guide" ("Guide"), each as supplemented by this Agreement. This Agreement incorporates by reference the terms of each such Tariff and the Guide. When any Tariff provisions are canceled, Services will continue to be provided pursuant to this Agreement, as supplemented by the terms and conditions contained in the Guide, which will contain WorldCom's standard rates, product descriptions, terms and conditions that formerly had been tariffed. The Guide is incorporated herein by reference and will be available to Customer on WorldCom's internet website (www.worldcom.com) and at WorldCom's offices during regular business hours at 500 Clinton Center Drive, Clinton, Mississippi 39056. The Company may modify the Guide from time to time, and any modification made will become effective and binding on Customer beginning on the first day of the next monthly billing cycle, provided that no change shall become effective and binding on Customer until it has been posted in the Guide for at least fifteen (15) calendar days. Tariffs may be modified from time to time in accordance with law. The contractual relationship between WorldCom and Customer shall be governed by the following order of precedence: (a) Tariffs; (b) provisions in this Agreement that expressly apply in lieu of, or that apply in addition to, provisions contained in Tariffs and/or the Guide; and (c) provisions contained in the Guide. Notwithstanding the foregoing, the California local, Intralata, and Interlata Inmate rates as stated above will not change during the term of this Contract.

Domestic intrastate service will be provided pursuant to requirements imposed by state law or regulatory authorities.

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Billing/charges for pay telephone use must begin at the time of call connection. For inmate payphones at the time of call acceptance.

b. FCC and CPUC Compliance

The PATS Contractor and all subcontractors shall comply with all current applicable FCC, CPUC rules and regulations, and tariffs throughout the term of the Contract. Refer to Paragraph 27 of the General Terms and Conditions.

4. Reasonable and Responsive Performance

The Contractor shall always provide the Equipment and services under this Contract in a reasonable manner, and shall always be responsive to the State's needs.

5. Termination

Equipment and services provided under this Contract can be terminated for convenience of the State upon thirty(30)days written notice. Exception for termination on inmate telephone monitoring devices and equipment will be upon ninety(90)days written notice. The State agrees to compensate Contractor for any such early termination in accordance with Exhibit D, Articles 5 and 22, above.*(Added by Amendment #1- Termination for Replacement will become effective and transition services related thereto may begin, no earlier than thirty(30)days after the Contractor receives written Notice of Termination from the State.*

6. ~~Concessionable Revenue- **As of 2/1/2005 DELETE~~

~~*"Concessionable Revenue" is the Gross Revenue from Operator Service calls generated by the telephones covered under this Agreement handled by Contractor Operator Services coin or noncoin-sent paid calls generated by public payphones or inmate telephones handled by Contractor's Operator Services and carried on Contractor's network, which will include calls paid by calling card, credit card, collect, third party billed and per call compensation, but excluding: (i) taxes; (ii) credits; (iii) any amount Contractor collects or otherwise pays to third parties in support of programs mandated by governmental or quasi-governmental authorities, such as the Universal Service Fund and the Primary Interexchange Carrier Charge; (iv) any amount Contractor pays to payphone service providers pursuant to Section 276 of the Telecommunications Act of 1996 ("Section 276") and the regulations implementing Section 276; and, (v) any costs incurred by Contractor in connection with such compensation requirements in support of programs mandated by governmental or quasi-governmental authorities, including without limitation those of Section 276.*~~

7. ~~Gross Concession Receipts Below \$200,000.00- **As of 2/1/2005 DELETE~~

~~*Any time gross payphone receipts to the Contractor that result from this Contract go below Two Hundred Thousand Dollars (\$200,000.00) for any month, the Contractor will continue to pay concessions on these receipts as specified in this Contract. However, the State will be responsible for reimbursing the Contractor for the amount of these concessions. The Contractor must provide proof of this condition through accurate records to be eligible for this reimbursement.*~~

~~*The sum of \$200,000.00, provided for in this paragraph, is an approximation of Contractor's minimum costs of providing services subject to this Agreement. It is the purpose of this paragraph that the Contractor shall not be required to perform said services at a loss. The State reserves the right to validate the accuracy of this estimate through the services of a consultant expert hired by the State. Contractor agrees to cooperate with said consultant in providing data as requested by the consultant. The State acknowledges that the information provided to this consultant may, in whole or in part, contain information that constitutes a trade secret, as defined by Evidence Code Section 1060 et seq. In the event of a request for disclosure of this information pursuant to Section Government Code 6250 et seq., or on any other basis, State shall advise Contractor in a timely*~~

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~~manner for the purpose of Contractor asserting a trade secret privilege and pursuing appropriate protective orders.~~

~~Contractor will maintain adequate personnel to provide service and support under this Contract.~~

8. Contractor Repair Services

Contractor repair services shall be available to the PATS sites twenty-four (24) hours a day, seven (7) days a week. This requirement for service availability may only be constrained, on an individual location basis, where twenty-four (24) hour access is restricted and where this access restriction is beyond the control of the Contractor.

9. Fraud/Theft

The Contractor shall agree that the State will bear no responsibility for fraudulent calls.

Contractor agrees that the State bears no responsibility for theft of funds; and furthermore, that no stolen or lost funds will be deducted from revenues on which concessions are paid to the State.

10. Unbillable/Uncollectible Calls

Contractor agrees that the State will bear no responsibility for unbillable or uncollectible calls. Unbillable or uncollectible calls may not be deducted from revenues on which concessions are paid to the State.

~~11. Unprofitable Public Payphones **As of 2/1/2005 DELETE~~

~~For the purpose of this provision and for ease of administration of non-profitable payphones, the parties agree that PATS terminal revenue (i.e. all WorldCom revenue generated by the PATS terminal, including but not limited to, coin and non coin local, intraLATA and interLATA revenue, speed dialing revenue, per call compensation revenue, advertising revenue and all other originated revenue generated by the terminal and/or by advertising on the telephone enclosure) shall be One Hundred Dollars (\$100). This amount is hereafter known as the "PATS Terminal Break-even Revenue."~~

~~Upon the request of DGS, Contractor will demonstrate through documented receipts and other records that the telephone does not generate revenues that meet or exceed the Contractor's cost. Contractor's cost shall only include the Contractor's costs for the pay telephone's fixed monthly line costs, local and long distance carrier costs, and depreciation (minimum five (5) years straight line method). Maintenance, Collection and Administration costs will also be allowed. All other costs will be excluded.~~

~~PATS terminals installed shall be reviewed for profitability every three (3) months. When the actual revenue generated by a PATS terminal does not on average over the three (3) month period cover the PATS Terminal Break-even Point, and the telephone is operational for voice services for a minimum of ninety-six percent (96%) of the time, Contractor will notify the agency PATS Agent, through the State's designated management representative, for removal of the PATS telephone.~~

~~If the agency or DGS desires to retain the pay telephone in its present location, the agency shall have the option of either making the required payment directly to the PATS Contractor in the amount of the PATS Terminal Break-even Revenue or reducing any concession fees paid to the agency by the remaining profitable telephones if any, provided under the Memorandum of Agreement or Exhibit E, Attachment II to pay the PATS Terminal Break-even Revenue. Once~~

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~~petitioned, the agency via the State shall respond to Contractor as to the course of action to be taken within thirty (30) calendar days.~~

~~All payments by the State or agency, or reduction in revenues, shall be applied beginning with the date of the notification. In addition, every three (3) months, the Contractor and DGS, Telecommunications Division shall review the revenue associated with each unprofitable telephone that has been retained by the State/agency, to make a determination if the PATS telephone has become profitable. If an "unprofitable" telephone becomes profitable during the three (3) month review period, the State or agency shall cease payment or Contractor shall stop the associated concession fees reduction related to the newly profitable PATS telephone.~~

12. Maintenance

Equipment and services provided shall be maintained in good operating condition to ensure that the Continuing Standards of Performance prescribed by this Contract are met. In determining good operating conditions, the State will evaluate performance of the Equipment/service in accordance with this Exhibit's Paragraphs 14 and 15, and will compare this performance with that of similar equipment and services installed at other locations. All such maintenance service, including both parts and labor, shall be furnished at no charge to the State.

13. Exclusions

Maintenance service does not include:

- a. Electrical work external to the Equipment or maintenance of accessories, alterations, attachments, or other devices not listed in Exhibit E, Attachment I.
- b. Such service which is impractical for Contractor to render because of alterations in the machines or their connection by mechanical or electrical means to another machine or device.

14. Responsibilities of the Contractor (Non-Inmate Payphones)

- a. The Contractor shall provide maintenance (labor and parts) and keep the Equipment/services in good operating condition at no charge to the State.
- b. The Contractor shall provide preventive maintenance as required by the equipment manufacturer and as necessary to maintain the system. Preventive maintenance shall be provided on a schedule which is mutually acceptable to the State and the Contractor, which is consistent with the State's operating requirements, and which is based upon the specific needs of the Equipment as determined by the Contractor and State.
- c. Remedial maintenance, including parts and labor, is performed by the Contractor on an unscheduled basis as a result of system, hardware, public switched telephone network, or software failure. The time required for the Contractor to respond to a call for remedial maintenance is known as response time. Response time is defined as the time interval between the time a service request is made to the Contractor by a State representative and the time qualified maintenance service personnel successfully arrives on-site or initiates remedial maintenance remotely.
- d. Cleaning
 - (1) The Contractor shall be responsible for ensuring that all PATS terminals, booths, and enclosures are cleaned and sanitized periodically. A minimum cleaning of each terminal,

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enclosure, or booth shall occur once each quarter or more frequently as dictated by local conditions such as heavy use, continued litter, etc.

- (2) The Contractor shall remove when necessary, all graffiti, stickers, posters, litter, dust and dirt from or within each PATS terminal, enclosure, or booth and from a three (3) foot radius surrounding the terminal, exclusive of private property.

15. Responsibilities of the Contractor (Inmate Payphones)

- a. The Contractor shall provide maintenance (labor and parts) and keep the Equipment/services in good operating condition at no charge to the State.
- b. The Contractor shall provide preventive maintenance as required by the equipment manufacturer and as necessary to maintain the system. Preventive maintenance shall be provided on a schedule which is mutually acceptable to the State and the Contractor, which is consistent with the State's operating requirements, and which is based upon the specific needs of the Equipment as determined by the Contractor and State.
- c. Remedial maintenance, including parts and labor, is performed by the Contractor on an unscheduled basis as a result of system, hardware, public switched telephone network, or software failure. The time required for the Contractor to respond to a call for remedial maintenance is known as response time. Response time is defined as the time interval between the time a service request is made to the Contractor by a State representative and the time qualified maintenance service personnel successfully arrives on-site or initiates remedial maintenance remotely.

Remedial maintenance shall be available twenty-four (24) hours a day, seven (7) days a week at no cost to the State.

Required response times for different levels of service loss are listed below. For example, if a remedial maintenance call for a major loss of service is made for a system at 2:30 a.m., that call must be responded to by 6:30 a.m. the same day. The Contractor must coordinate the maintenance call with the correctional facility representative prior to arrival. Repairs should be authorized on a priority basis.

(1) A major loss of service requires a Contractor response time within four (4) consecutive hours regardless of time of day or day of week when the loss of service is reported. A major loss of service is when the total system is inoperative for any reason or there is any malfunction that seriously affects the security or function of the State institution (e.g., recording system goes down, all of the inmate telephones are inoperable in any one (1) housing unit, or the inmate telephones cannot be monitored).

(2) A minor loss of service requires a Contractor response time of twenty-four (24) hours. A minor loss of service is any loss of service that does not meet the criteria for a major loss of service.

- d. If the Contractor fails to respond to a request for remedial maintenance within the required response time, it may result in the Contractor being liable for liquidated damages.
- e. The State will determine which level of response time is applicable in each individual case.
- f. Restoration of Service

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- (1) If the equipment cannot be repaired within eight (8) hours after notification of a major loss of service, the Contractor shall advise the State why the equipment has not been repaired and when the repair completion can be expected.
- (2) If upon commencement of remedial maintenance for a major loss of service the Contractor determines that the equipment cannot be repaired within twenty-four (24) hours of such repair effort, at the Contractor's discretion, the Contractor may provide, at no cost to the State, loaner equipment to restore the system to working order.
- (3) Full restoration of services for a major loss of service shall occur within twenty-four (24) hours of the reported failure, and full restoration of services for a minor loss of service shall occur within forty-eight (48) hours of the reported failure, or the Contractor may be held liable for liquidated damages. Contractor shall use reasonable efforts to coordinate the closure of trouble tickets with the effected facility representative, or designee. Contractor may close a trouble ticket without coordination with the facility representative after 48 hours of Contractor conducting reasonable efforts to coordinate such ticket closure.

16. **Responsibilities of the State**

- a. Unless mutually agreed on by the Contractor and the State, State personnel will not perform maintenance or attempt repairs to the Equipment while such Equipment is under the purview of this Exhibit E. If persons other than Contractor representatives have performed maintenance or repair on any Equipment, and as a result further repair by Contractor is required, such further repairs will be made at the Contractor's then applicable time and material rates.
- b. Contractor shall have full and free access to the Equipment to provide service thereon, with the exception of the inmate payphones.
- c. The State shall provide an appropriate operating environment, including electrical power, appropriate grounding, proper air conditioning and ventilation.
- d. The State may provide to the Contractor a list of designated personnel responsible for placing maintenance calls associated with each CDC Institution.

17. **Major Field Modification**

At the State's request, the Contractor may provide for major on-site modifications of Equipment installed. Contractor shall use its best commercially reasonable efforts to effect such modification with minimal disruption to the State's operating schedule.

18. **General Functional Requirements**

The Contractor must provide products and services that meet all of the functional requirements of this Contract. Functional requirements are designated to view the requested services from the customer's (user's) point of view. These include the following:

19. **Operation During Power Loss** - All of the phones that require commercial A/C power for full operation shall continue to provide 911, 0+ and 0- and coin operation for a minimum of four (4) hours during a commercial power failure. **This does not apply to inmate payphones.**

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20. Unblocking of Equal Access Codes - The Contractor agrees that all Equipment furnished for use on the State of California owned and leased properties will comply with all requirements of the Telephone Operator Consumer Improvement Services Act of 1990 and all related FCC requirements including but not limited to access to 1010XXX, 950 and 1-800 alternate interexchange carrier codes. **This does not apply to inmate payphones.**
21. In all locations, callers shall be able to access an operator by dialing "0" or "00" for assistance. **This does not apply to inmate payphones.**
22. The Contractor's telephones must offer access to "911" emergency services where available. For purposes of "911" communication, all proposed telephones must meet the requirements of the State of California Code Section 53112 which states, in part, that "all pay telephones... shall enable a caller to dial "911" for emergency services, and to reach an operator by dialing "0" without the necessity of inserting a coin. **This does not apply to inmate payphones.**
23. Access to local and long distance directory assistance shall be provided from all telephones located on State owned or leased property. **This does not apply to inmate payphones.**
24. Access to local, intraLATA, interLATA/intrastate, interLATA/interstate calling is required by this Contract.
25. Payment by means of depositing coins will be required at many of the State's locations. Coin acceptance must include those coins accepted at the majority of pay telephones in the United States (U.S.) including nickles, dimes, and quarters. Any new coins such as the new dollar coin contemplated for issuance by the U.S. Mint must also be accepted if acceptance of these coins becomes an industry standard. **This does not apply to inmate payphones.**
26. In all locations calling card, collect and third party billed payment options shall be required and a zero plus (0+) dialed basis and using other access methods as may be required by law, e.g., 1010XXX, 950 or 1-800 and other toll free access methods. In all cases, acceptance of the Bell Operating Company calling cards shall be required. **This does not apply to inmate payphones.**
27. **[Reserved]**
28. 0+ Dialing - The proposed Equipment/services must provide a "bong" tone within five (5) seconds of completion of 0+ dialing. If the user does not enter any additional numbers after the "bong" tone, the bidder shall guarantee that a Live operator will then answer within ten (10) seconds of the "bong" tone at least ninety-five percent (95%) of the time. **This does not apply to inmate payphones.**
29. 0- and 00- Dialing - When a user dials a zero and does not enter any additional numbers, the operator services must have a live operator answer within seven (7) seconds at least ninety-five percent (95%) of the time. **This does not apply to inmate payphones.**
30. Other Required Services - Contractor will provide the full range of operator services to which the public has become accustomed in the United States including caller assistance and refunds and credits. **This does not apply to inmate payphones.**

~~31. If the State and Contractor deems that additional public payphones are necessary, the Contractor will be required to install additional public payphones. **As of 2/1/2005 DELETE~~

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32. Basic Services Inmate Payphones - Due to the unique nature of correctional facilities, specific types of telephones are required to permit the respective authorities and administrators to choose the technology that best meets their needs.
- a. There will be no increase in Intrastate inmate rates and/or surcharges for local, intraLATA, and InterLATA collect calls for the duration of this transition contract.
 - b. If the State and Contractor deems that additional inmate payphones are necessary, the Contractor will be required to install additional inmate payphones at no cost to the State.
 - c. If adding inmate payphones requires that the monitoring/recording equipment be expanded, the Contractor agrees to expand the monitoring/recording system as necessary, at no cost to the State. The State agrees to retain the equipment for a period of twelve (12) months from the date of installation.
 - d. Following the twenty-fourth (24) month of the initial term, the parties may agree to have an entire inmate payphone system (call control, monitoring/recording and telephones) or portion thereof installed. In such event, the Contractor agrees to provide the inmate payphone system equipment at no cost to the State; and the State agrees to retain the inmate payphone system equipment for a period of twelve (12) months from the date of installation.
33. General Inmate Service Requirements - The Department of Corrections is an example of an agency that has higher standards and concerns for the safety, security and durability of their equipment.
- a. The providing of Inmate Telephone Monitoring Devices is required as a commitment by the Contractor to State agencies only. The Contractor is not required to provide that service to any other governmental entities. However, these services may be provided by the Contractor to other governmental entities on a case-by-case basis by mutual agreement between the Contractor and the Agency.
 - b. The Contractor is required to provide non-blocking networking that will permit call origination at least 98% of the time on the first attempt.
34. Required Types of Inmate Telephones - All telephone instruments proposed for use at correctional facilities will be required to meet the following specifications:
- a. Be a "Charge a Call" type with no coin receptacles or containers.
 - b. Be constructed of a minimum of 16-gauge steel.
 - c. Not have any removable parts.
 - d. Have a 29-36" armored handset cord.
 - e. Have unremoveable ear and mouthpieces.
 - f. Have security fasteners with center pin reject instead of standard screw type fasteners.
 - g. Be available in standard and small sizes.
 - h. Use of equipment, other than that which is set forth in Exhibit E, Attachment I, is subject to the PATS Agent approval for use.

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- i. All proposed instruments must interface to an inmate monitoring, recording, and call control system.
- j. Key Pad Telephone - All inmate instruments must be equipped with a metallic, tamperproof key pad.

35. Required Types of Inmate Payphone Equipment

- a. Inmate Telephone Monitoring Device - Device is defined as an instrument and associated equipment that when activated by the attendant will permit the attendant to visually and audibly monitor the calls of associated inmate phones.
- b. Capacity – The monitoring system shall be able to monitor a minimum of six (6) phone lines and must be expandable in modular increments to up to twenty (20) lines.
- c. Visual Monitoring – The inmate-monitoring device shall permit the attendant to visually determine the off-hook and on-hook status of up to thirty-two (32) inmate phones.
- d. Audible Monitoring – The inmate monitoring device shall permit an attendant to manually select any of not less than ten (10) associated inmate phones. The device shall permit the attendant to listen to any conversation in progress at a selected telephone over the monitoring device's handset analog speaker for an unlimited duration. The attendant shall also have the ability to mute the microphone of the monitoring device and verbally interrupt an inmate conversation as may be necessary.
- e. Automatic Scan – The inmate monitoring device shall permit its operator to automatically scan in sequence each inmate phone that is in use for a period of up to fifteen (15) seconds per line. As each phone is scanned, the device attendant shall hear the conversation over the handset and/or speaker. At any time during the automatic scan, the attendant shall be able to switch to the manual mode of operation allowing an extended period of time on that line and switching back to automatic, as needed.
- f. Call Disconnect - The inmate-monitoring device shall permit the attendant to disconnect any call in progress rendering the inmate telephone inoperable. The device shall provide visual indication of the lines rendered inoperable.
- g. Inmate Line Control – The inmate-monitoring device shall permit the attendant to control the lines of the inmate telephones making all inoperable at the same time. The device will provide visual indication of each line in that condition.
- h. Undetected Supervision – The inmate-monitoring device shall allow the attendant access to the inmate call in progress without a change in the audible signal. The inmate and the called party will not be aware of when the attendant is present on the line.
- i. Visual Alarm – The monitoring device must have visual indication on the console, to signal loss of power to the control equipment. If loss of power occurs during the inmate's use of the telephones, all inmate phones shall automatically be rendered inoperable.
- j. Beep Tone – The inmate call recording equipment shall provide a beep tone to all inmate phones that are off-hook, even though they may not be monitored at that particular time.

36. Required Types of CYA Payphone Equipment

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- a. CYA Telephone Monitoring Device - Device is defined as an instrument and associated equipment that when activated by the attendant will permit the attendant to visually and audibly monitor the calls of associated inmate phones.
 - b. Capacity – The monitoring system shall be able to monitor a minimum of six (6) phone lines and must be expandable in modular increments to up to twenty (20) lines.
 - c. Visual Monitoring – The inmate-monitoring device shall permit the attendant to visually determine the off-hook and on-hook status of up to thirty-two (32) inmate phones.
 - d. Audible Monitoring – The inmate-monitoring device shall permit an attendant to manually select any of not less than ten (10) associated inmate phones. The device shall permit the attendant to listen to any conversation in progress at a selected telephone over the monitoring device's handset analog speaker for an unlimited duration. The attendant shall also have the ability to mute the microphone of the monitoring device and verbally interrupt an inmate conversation as may be necessary.
 - e. Automatic Scan – The inmate-monitoring device shall permit its operator to automatically scan in sequence each inmate phone that is in use for a period of up to fifteen (15) seconds per line. As each phone is scanned, the device attendant shall hear the conversation over the handset and/or speaker. At any time during the automatic scan, the attendant shall be able to switch to the manual mode of operation allowing an extended period of time on that line and switching back to automatic, as needed.
 - f. Call Disconnect - The inmate-monitoring device shall permit the attendant to disconnect any call in progress rendering the inmate telephone inoperable. The device shall provide visual indication of the lines rendered inoperable.
 - g. Inmate Line Control – The inmate-monitoring device shall permit the attendant to control the lines of the inmate telephones making all inoperable at the same time. The device will provide visual indication of each line in that condition.
 - h. Undetected Supervision – The inmate-monitoring device shall allow the attendant access to the inmate call in progress without a change in the audible signal. The inmate and the called party will not be aware of when the attendant is present on the line.
 - i. Visual Alarm – The monitoring device must have visual indication on the console, to signal loss of power to the control equipment. If loss of power occurs during the inmate's use of the telephones, all inmate phones shall automatically be rendered inoperable.
 - j. No recording equipment is required.
37. Enclosures (Inmate Payphones) – The Contractor shall provide a variety of telephone booths that must be approved by the State, prior to installation.
38. Value Added Services (Non-Inmate Payphones) – The Contractor shall provide the following:
- a. Speed Dialing – A process whereby the telephone instrument dials a predetermined number at the touch of one or two numbers of the keypad or via a dedicated autodial button.
 - b. Advertising –Advertising may be in the form of printing or on booths, enclosures or on the instruments themselves. Advertising may also be generated electronically and transmitted via

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CRT or other medium. DGS or the PATS Agent must approve the suitability of specific ads for use on pay telephones on the property of each State agency.

39. Enclosures (Non-Inmate Payphones)

- a. State Approval – All enclosures, booths, shelves, pedestals, or other mounting apparatus selected for installation must be approved by the State PATS Agent entering into the Memorandum of Agreement with the service provider.
- b. Enclosure Types – Contractor shall offer a variety of enclosure types to provide the State the maximum placement options. In select mutually agreed upon locations (e.g. highways and other high traffic areas) enclosures must provide noise suppression. Mandatory enclosures include: Wall, Pedestal Booth, Flush Mount, and Trailer (mobile/temporary).

~~40. PATS Supporting Management Information Services **As of 2/1/2005 DELETE~~

~~a. Data Collection – Contractor Services must be able to collect and to communicate usage and revenue data for billing and/or auditing purposes to a centralized data collection facility. Data collection devices must include the ability to record TOTAL CALLS; i.e., 1010XXX, 950-XXXX, 800-XXXX, and such other carrier codes approved for use in the North American Numbering Plan and internationally to be used for auditing by the State.~~

~~b. Reporting Requirements – Payphones and systems must be able to produce usage and revenue data in detail according to coin and non coin payment methods for intraLATA, interLATA/intrastate, interLATA/interstate calls and to generate monthly reports to the State.~~

~~These reports must be able to provide detail by agency, location and telephone number. Complete traffic detail information including revenues, calls, minutes of use and concessions as well as complete accounting information.~~

41. Specialized Services (Inmate Payphones) - The Department of Corrections has specialized recording and data collection needs that are integral to their inmate monitoring activities. These are, in effect, specialized services that are required for their unique environments.

- a. The system(s) must be designed for continuous operation 24 hours a day, 365 days per year and be amenable for future networking capability.
- b. Inmate Calls – Recording Requirements – The provision of Inmate Telephone Recording devices are required by the Contractor to State agencies only. The Contractor is not required to provide that service to any other governmental entities. However, these services may be provided by the Contractor to other governmental entities on a case-by-case basis by mutual agreement between the Contractor and the agency.
- c. Simultaneous recording of multiple voice channels with the capability of identifying date, time, and other pertinent information of each inmate call.
- d. The Contractor shall provide the following for the Inmate Payphones:
 - (1) On-premise and remote activity status reports and monitoring information, as needed.
 - (2) Special playback features allowing administrators to reproduce and search recordings as needed to pinpoint calling pattern, identify specific calls by date, time, etc.

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- (3) Database Integration/Software/Reporting Requirements
- (4) Special system capabilities that allow users to access, collect, store, report, and cross reference information of an inmate phone and usage activities such as station reports, calls by day, by location, by time, by numbers called, etc.
- (5) The ability to access multiple databases from a pre-assigned central location, with the ability to poll and retrieve information and reports from multiple locations automatically and on request.
- (6) Total system security should be maintained at a minimum with special codes and passwords.

EXHIBIT E
(Standard Agreement)

Attachment I

****As of 2/1/2005 DELETE**

EQUIPMENT LIST

ITEM **MAKE/MODEL**

BASIC SERVICES (NON-INMATE)

Coin Telephone Protel 7000
(Line Powered except where A/C power is required by the State)

Charge-a-Call Model # ICG-CP60

Mobile Emergency Trailer w/Phones PB900

Enclosures: Wall, Pedestal, List 31 /Pedestal or Wallmount
Model # 3104 /Pedestal or Wallmount
16" Wood Enclosure
24" Wood Enclosure

Ultratec Telephone Model # 240 (Indoor) / Model # 240FS (Outdoor)
Teletype Unit (TTY)

BASIC SERVICES (INMATE)

"Charge-a-Call" phone PB&G G7010SS
-(a.k.a. Brickphone) PB&G G7010SS-H

Enclosures: PB&G P137.01

Pedestals: PB&G R4E Black; Flush Mount Adapter; Backboard, R Type

Telephone Devices for the Deaf (TDD) Ultratec Superprint 4425

SPECIALIZED SERVICES (INMATE)¹

Inmate Recording Device GlobalTelLink/Lazerphone
Inmate Monitoring Device Augat/ Thomas & Betts
Inmate Database Integration GlobalTelLink/Lazerphone
System Maintenance GlobalTelLink/Lazerphone
Additional Inmate Services GlobalTelLink/Lazerphone

The equipment set forth in this Exhibit E, Attachment I is approved for use.

Liquidated damages imposed for the delay in installation of Equipment listed on this Attachment to be assessed against Contractor will be in the amount of \$20.00 per day for each day between the date specified in the Service Request Notice Form and the date Contractor Services is certified ready for use, not to exceed 180 calendar days.

¹ Contractor may use United States Advanced Network (USAN) for network-based inmate call processing, with approval from CDC or CYA as appropriate.

**EXHIBIT E
(Standard Agreement)
Attachment II**

STATE PUBLIC ACCESS TELECOMMUNICATIONS SERVICE (PATS)

MEMORANDUM OF AGREEMENT (MOA)

The undersigned agency agrees to participate in the State of California, Department of General Services Master Services Agreement (MSA) and agrees to all terms and conditions thereof. Agency participation begins when the agency signs this Memorandum of Agreement. This Memorandum of Agreement should be sent to:

Ms. Sharon Brandon
Department of General Services
Telecommunications Division
601 Sequoia Pacific Blvd.
Sacramento, CA 95814-0282

For State Agencies, please reference Government Code Section 16301. All unappropriated revenue shall be remitted to the State general Fund unless otherwise accounted for by the agency and the Department of Finance. Equipment/Services provided by the MSA contract can be terminated for convenience with a thirty (30) day written notice. The undersigned agency agrees that if the Contractor for this MSA makes a capital investment to provide service to the undersigned agency, and if the undersigned agency cancels its contract with the Contractor for any reason except for cause, then the undersigned agency will reimburse the Contractor for the undepreciated portion of said capital investment. Payment to the Contractor will be at the book value of the undepreciated asset(s) at the time of contract cancellation.

_____ (Agency or Organization)	_____ (Signature)
	_____ (Printed Name)
_____ (Date)	_____ (Title)

1.	Department/Organization	_____
2.	Address of Organization	_____
3.	Address of Requested Service	_____
4.	PATS Agent Main Contact Name	5. Telephone Number
6.	Alternative PATS Contact Name	7. Telephone Number
8.	Address to Send Concessions to (Include City and Zip Code)	
9.	Services Requested (Please attach a list of telephone numbers)	

EXHIBIT E
(Standard Agreement)

Attachment III

SERVICE REQUEST NOTICE – NON-INMATE PAYPHONES

Contractor must install Equipment within thirty (30) days from receipt of this Service Request Notice after review and approval of the PATS Agent. If 10 or more pay telephones are required to be installed, then the installation date will be mutually agreed upon between the State and Contractor.

DEPARTMENT	DIVISION, BUREAU, ETC.

ADDRESS OF PRESENT SERVICE	ADDRESS OF REQUESTED SERVICE

PATS AGENT'S NAME	TELEPHONE NUMBER	ADDRESS

ADDRESS TO SEND CONCESSIONS (Include City and Zip Code)

SERVICE REQUESTED (ATTACH LIST OF SERVICES)	REQUESTED DATE OF SERVICE

APPROVED

Department of General Services DATE
Telecommunications Division

EXHIBIT E
(Standard Agreement)

Attachment IV

SERVICE REQUEST NOTICE – INMATE PAYPHONES

Contractor must install Equipment within thirty (30) days from receipt of this Service Request Notice after review and approval of the PATS Agent. Inmate monitoring and recording equipment must be installed within thirty (30) days from receipt of this Service Request Notice unless the State and Contractor mutually agree on a different timeframe. If 10 or more pay telephones are required to be installed, then the installation date will be mutually agreed upon between the State and Contractor.

DEPARTMENT	DIVISION, BUREAU, ETC.

ADDRESS OF PRESENT SERVICE	ADDRESS OF REQUESTED SERVICE

PATS AGENT'S NAME	TELEPHONE NUMBER	ADDRESS

ADDRESS TO SEND CONCESSIONS (Include City and Zip Code)

SERVICE REQUESTED (ATTACH LIST OF SERVICES)	REQUESTED DATE OF SERVICE

APPROVED

PATS Agent

DATE

EXHIBIT E
(Standard Agreement)

Attachment V

****As of 2/1/2005 DELETE**

CONCESSION INFORMATION AND WORKSHEET

FOR PUBLIC PAYPHONES IN TERRITORY ONE

Territory I includes all of the SBC Pacific Bell's local exchange geographical areas defined by the California Public Utility Commission (CPUC) within LATAs 1, 2, 3, and 9.

Part 1. Concession Fee expressed in percent of accessible Call revenue.

A. Basic Services Category

Coin

Non-Coin

Local

A. 25.0%

D. 25.0%

IntraLATA

B. 25.0%

E. 25.0%

InterLATA

C. 25.0%

F. 25.0%

B. ENHANCED SERVICES

Concession Fee offered, expressed in percent of non-call revenue:

Computer Port Access

(1) IN *

Advertising

(5) 35%

Printer

(2) IN

E-mail

(6) IN

Speed Dialing

(3) IN

Voice Messaging

(4) IN

NOTE: *"IN" means that percentages will be individually negotiated.

The Concession percentages will become effective 120 days after contract signing.

EXHIBIT E
(Standard Agreement)

Attachment VI

****As of 2/1/2005 DELETE**

CONCESSION INFORMATION AND WORKSHEET

FOR PUBLIC PAYPHONES IN TERRITORY TWO

Territory II includes all of the SBC Pacific Bell's local exchange geographical areas defined by the CPUC within LATAs 4 through 8, and 10.

Part 1. Concession Fee expressed in percent of accessible Call revenue.

A. Basic Services Category

Coin

Non-Coin

Local

A. 25.0%

D. 25.0%

IntraLATA

B. 25.0%

E. 25.0%

InterLATA

C. 25.0%

F. 25.0%

B. ENHANCED SERVICES

Concession Fee offered, expressed in percent of non-call revenue:

Computer Port Access

(1) IN

Advertising

(5) 35%

Printer

(2) IN

E-mail

(6) IN

Speed Dialing

(3) IN

Voice Messaging

(4) IN

NOTE: *"IN" means that percentages will be individually negotiated.

The Concession percentages will become effective 120 days after contract signing.

EXHIBIT E
(Standard Agreement)

Attachment VII

****As of 2/1/2005 DELETE**
CONCESSION INFORMATION AND WORKSHEET

FOR PUBLIC PAYPHONES IN TERRITORY THREE

Contractor will carry interlata, interstate, and international traffic in Territory III. Territory III includes all of the Verizon of California Incorporated utility's local exchange geographical areas defined by the CPUC within LATAs 1 through 11. Excluding the old Continental Telephone utility's local exchange previously defined under Territory IV.

Part 1. Concession Fee expressed in percent of accessible Call revenue.

A. Basic Services Category

Coin

Non-Coin

InterLATA

A. 25.0%

B. 25.0%

The Concession percentages will become effective 120 days after contract signing.

EXHIBIT E
(Standard Agreement)

Attachment VIII
****As of 2/1/2005 DELETE**
CONCESSION INFORMATION AND WORKSHEET

FOR PUBLIC PAYPHONES IN TERRITORY FOUR

Territory IV includes all of the old Continental Telephone utility's local exchange geographical areas defined by the CPUC within LATAs 1 through 10.

Part 1. Concession Fee expressed in percent of accessible Call revenue.

<u>A. Basic Services Category</u>	<u>Coin</u>	<u>Non-Coin</u>
<u>Local</u>	<u>A. 25.0%</u>	<u>D. 25.0%</u>
<u>IntraLATA</u>	<u>B. 25.0%</u>	<u>E. 25.0%</u>
<u>InterLATA</u>	<u>C. 25.0%</u>	<u>F. 25.0%</u>

B. ENHANCED SERVICES

Concession Fee offered, expressed in percent of non-call revenue:

<u>Computer Port Access</u>	<u>(1) IN*</u>	<u>Advertising</u>	<u>(5) 35%</u>
<u>Printer</u>	<u>(2) IN</u>	<u>E-mail</u>	<u>(6) IN</u>
<u>Speed Dialing</u>	<u>(3) IN</u>		
<u>Voice Messaging</u>	<u>(4) IN</u>		

NOTE: *"IN" means that percentages will be individually negotiated.

The Concession percentages will become effective 120 days after contract signing.

EXHIBIT E
(Standard Agreement)

Attachment IX

****As of Amendment #1, 11/2/2002 Note on page 25 is hereby deleted and restarted as follows:**
NOTE: The parties agree that WorldCom will provide additional 50 public payphones. Notwithstanding any contrary provision in the Agreement, including but not limited to Exhibit D, Section 13, such additional public payphones are not required to be new, but must be clean and in good working order"
****As of Amendment #2, 2/1/2005 the 1st sentence to show "70 public payphones"...**

LIST OF THE STATE'S PARTICIPATING AGENCIES

	AGENCY	Memorandum of Agreement Date
1	ABC UNIFIED SCHOOL DISTRICT	05/07/1996
2	AGNEW DEVELOPMENTAL CENTER	03/28/1994
3	AIR RESOURCES BOARD	12/31/1992
4	ALAMEDA UNIFIED SCH DIST	12/21/1994
5	ALVORD SCHOOL DISTRICT	03/07/1996
6	ATASCADERO STATE HOSPITAL	11/03/1994
7	BOARD OF EQUALIZATION	01/29/1993
8	CA CONSERVATION CORP	11/17/1992
9	CA HIGHWAY PATROL/TELECOM	12/11/1992
10	CA NATIONAL GUARD	04/15/1993
11	CA POLYTECHNIC ST UNIV SLO	05/13/1992
12	CA PUBLIC UTILITIES COMMISSION	08/31/1998
13	CA SCHOOL FOR THE DEAF	11/16/1992
14	CA STUDENT AID COMM	11/25/1992
15	CALIFORNIA CONSERVATION CORPS	11/17/1992
16	CALIFORNIA LOTTERY	04/10/1997
17	CALIFORNIA SCIENCE CENTER	01/30/1998
18	CALIFORNIA TAHOE CONSERVANCY	01/05/1999
19	CENTRAL CITY COMMUNITY CENTER	07/01/1993
20	CENTRAL UNIFIED SCH DIST	01/10/1995
21	CERRITOS COMM COLL DIST	07/26/1994
22	CITY OF AGOURA HILLS	12/16/1998
23	CITY OF ALBANY	06/09/1996
24	CITY OF BLUE LAKE	10/08/1997
25	CITY OF CARPENTERIA	06/15/1999
26	CITY OF CERRITOS	06/09/1997
27	CITY OF CHINO	10/20/1997
28	CITY OF CORNING	03/19/1999
29	CITY OF EL CAJON	02/02/1994
30	CITY OF EL CENTRO	05/13/1998
31	CITY OF FORT BRAGG	04/04/1995
32	CITY OF HEALDSBURG	10/01/1997
33	CITY OF HUNTINGTON BEACH	05/18/1998
34	CITY OF LAKEWOOD	03/25/1998
35	CITY OF LONG BEACH	09/10/1996
36	CITY OF LOS ANGELES	04/29/1998
37	CITY OF MONROVIA	08/08/1997
38	CITY OF MORENO VALLEY	04/08/1998
39	CITY OF NEWPORT BEACH	07/30/1993
40	CITY OF OCEANSIDE	02/16/1994

EXHIBIT E
(Standard Agreement)

	AGENCY	Memorandum of Agreement Date
	CITY OF ORLAND	10/31/1997
42	CITY OF OXNARD	09/30/1997
43	CITY OF PLEASANT HILL	08/22/1996
44	CITY OF REDDING	09/14/1998
45	CITY OF REEDLEY	06/11/1998
46	CITY OF SACRAMENTO	04/19/1996
47	CITY OF SAN MATEO	04/14/1994
48	CITY OF SANTA BARBARA	09/26/1996
49	CITY OF SANTA CRUZ	12/01/1992
50	CITY OF SANTA MARIA	11/04/1997
51	CITY OF SANTA MONICA	02/10/1998
52	CITY OF SEAL BEACH- JAIL	05/23/1994
53	CITY OF UPLAND	08/04/1997
54	CITY OF WEST COVINA	07/19/1997
55	CITY OF WEST HOLLYWOOD	09/04/1996
56	CLOVIS UNIFIED SCHOOL DISTRICT	12/16/1997
57	COALINGA POLICE DEPT	03/07/1996
58	COLLEGE OF THE SISKIYOU	04/21/1994
59	CONTRA COSTA COUNTY FIRE DISTR	12/05/1997
60	CORRECTIONAL TRNG CNTR	01/04/1994
61	COUNTY OF IMPERIAL	07/29/1998
62	COUNTY OF LAKE	11/28/1995
63	COUNTY OF SANTA CRUZ	04/07/1997
64	COURT OF APPEAL	07/16/1998
65	COW PALACE	02/07/1995
66	CSU CHANNEL ISLANDS	04/29/1999
67	CSU SAN BERNADINO	04/03/1995
68	CSU STANISLAUS	10/29/1996
69	CUESTA COLLEGE	12/14/1994
70	DEPT OF BLDG & GNDS	03/01/1991
71	DEPT OF CONSUMER AFRS	02/17/1994
72	DEPT OF CORRECTIONS	09/04/1992
73	DEPT OF ECONOMIC OPPTY	01/28/1993
74	DEPT OF EDUCATION	11/16/1992
75	DEPT OF EMPLOYMENT DEVELOPMENT	09/10/1992
76	DEPT OF FINANCE	05/19/1999
77	DEPT OF FISH & GAME	06/26/1997
78	DEPT OF FORESTRY	09/23/1991
79	DEPT OF GENERAL SERVICES	09/15/1992
80	DEPT OF HEALTH SERVICES	11/17/1993
81	DEPT OF INDUSTRIAL RELS	10/20/1992
82	DEPT OF MENTAL HEALTH	10/23/1992
83	DEPT OF MOTOR VEHICLES	10/07/1991
84	DEPT OF PARKS & REC	12/15/1992
85	DEPT OF PERSONNEL ADMIN.	04/02/1996
86	DEPT OF PESTICIDE	10/01/1998
87	DEPT OF REHABILITATION	03/24/1995
88	DEPT OF SOCIAL SERVICES	01/08/1998
89	DEPT OF TOXIC SUBSTANCE CTRL	12/05/1994

EXHIBIT E
(Standard Agreement)

	AGENCY	Memorandum of Agreement Date
	DEPT OF TRANSPORTATION	09/16/1992
91	DEPT OF WATER RESOURCES	03/15/1993
92	DEPT OF YOUTH AUTHORITY	09/15/1992
93	DIAGNOSTIC CENTER CENTRAL CA	01/22/1999
94	DISABILITY & ADULT PROGRAMS	01/08/1998
95	FEATHER RIVER COMMUNITY COLLEG	07/26/1994
96	FRANCHISE TAX BOARD	08/12/1991
97	FREMONT-NEWARK COM. COLLEGE	06/05/1997
98	GARFIELD CHARTER SCHOOL	10/13/1995
99	GEYSERVILLE UNIFIED SCHOOL DIS	11/21/1995
100	GOLD HILL VINYARDS	02/08/1995
101	HASTINGS COLLEGE OF THE LAW	10/07/1993
102	HUMBOLT COUNTY	04/12/1999
103	Reserved	-
104	Reserved	-
105	Reserved	-
106	LANTERMAN HOSPITAL	07/29/1991
107	LASSEN COMMUNITY COLLEGE	06/25/1997
108	LEGISLATIVE COUNSEL BUREAU	03/15/1996
109	MANHATTAN UNIFIED SCHOOL DIST	06/04/1997
110	MERCED COLLEGE	01/03/1995
111	MONTEREY PENINSULA COLLEGE	06/07/1995
112	MORENO VALLEY USD	05/28/1997
113	MT SAN ANTONIO COM. COLLEGE	02/06/1995
114	NAPA STATE HOSPITAL	10/23/1992
115	NOVATO FIRE DISTRICT	11/30/1995
116	OAKLAND UNIFIED SCHOOL DISTRIC	09/28/1995
117	OFFICE OF PROCUREMENT	06/09/1994
118	OHLONE COLLEGE	06/05/1997
119	PALOMAR COMMUNITY COLLEGE	08/19/1996
120	PITTSBURG UNIFIED SCHOOL DISTR	05/23/1997
121	PLEASANT HILL POLICE DEPT	12/01/1995
122	PLEASANT VALLY SCHOOL DIST	06/16/1997
123	PORTOLA VALLEY SCHOOL DISTRICT	08/21/1996
124	PRISON INDUSTRY AUTHORITY	10/23/1997
125	RANCHO SANTA FE FIRE PROTEC	05/24/1999
126	REDLANDS UNIFIED SCHOOL DIST.	08/02/1995
127	SAN BERNARDINO COUNTY SUPERINT	05/05/1998
128	SAN DIEGO COMMUNITY COLLEGE	11/29/1993
129	SAN FRANCISCO CONVENTION & VIS	11/19/1996
130	SAN MATEO COUNTY OFFICE	05/17/1995
131	SAN MATEO-FOSTER CITY SCHL.	11/15/1995
132	SECRETARY OF STATE	04/10/1997
133	SHAFTER -RTC	06/13/1994
134	SHAFTER POLICE DEPT	10/01/1997
135	SHASTA-TEHAMA-TRINITY JOINT CO	12/01/1995
136	SIERRA COLLEGE	06/01/1967
137	SIMPSON COLLEGE	11/17/1996
138	SONOMA STATE UNIVERSITY	09/12/1997

EXHIBIT E
(Standard Agreement)

	AGENCY	Memorandum of Agreement Date
	STATE CONTROLLERS OFC	03/16/1995
140	STATE OF CA MILITARY DEPT	06/23/1995
141	STATE WATER RESOURCE CNTL BOARD	08/09/1996
142	STUDENT AID COMMISSION	11/25/1992
143	TEALE DATA CENTER	11/18/1997
144	U.S. SPACE CAMP FOUNDATION	06/09/1997
145	UC BERKELEY	01/28/1994
146	UC DAVIS	10/04/1993
147	UC IRVINE	04/13/1993
148	UC IRVINE MED CENTER	10/05/1993
149	UC RIVERSIDE	08/10/1994
150	UC SAN DIEGO	04/05/1993
151	UC SAN FRANCISCO	07/08/1993
152	UCR EXTENSION	01/23/1996
153	UCSD MED CENTER	02/16/1994
154	UCSF MED CENTER	
155	UNIVERSITY OF SAN FRANCISCO	07/08/1993
156	UPLAND UNIFIED SCHOOL DISTRICT	05/16/1995
157	VAL VERDE SCHOOL DISTRICT	08/13/1997
158	VICTOR VALLEY COMM COL	06/22/1995
159	WEST HILLS COM. COLLEGE	06/22/1995
160	WEST KERN COMMUNITY COLLEGE	05/12/1995
161	WHITTIER UNION HIGH SCHOOL	03/25/1998

~~Note: The parties agree that WorldCom will provide a maximum of 500 additional public payphones as part of this agreement. Additional public payphones may be added upon agreement between the parties.~~

EXHIBIT E
(Standard Agreement)

Attachment X

****As of Amendment #2, 2/1/2005 Delete entire list and replace with:**
CONTRACTOR'S LIST OF PARTICIPATING SUBCONTRACTORS

- ~~1. Pacific Coin~~
- ~~2. Telecom Data, Inc.~~
- ~~3. National Outdoor Media Network Incorporated~~
- ~~4. Pay Tel~~
- ~~5. Global Tel*Link Lazerphone~~
- ~~6. IP Logic~~

- 1- Pacific Telemanagement Services
- 2- TelCom Data
- 3- National Outdoor Media

**EXHIBIT E
(Standard Agreement)**

Attachment XI

INMATE AND WARD PHONE RATES

Inmate and ward intrastate rates and those surcharges set forth below will not go up during the term of this contract. All rates and charges set forth herein are exclusive of, and the discounts set forth herein do not apply to, the following, which Customer agrees to pay: charges for WorldCom Services other than those set forth in this Agreement; non-Tariffed products or services; access or egress (or related) charges imposed by third parties; standard Tariffed non-recurring charged and monthly recurring non-usage charges; calling card surcharges (unless expressly provided for herein); federal, state and local sales, use, excise, utility and gross receipts taxes; other similar tax-like charges; tax-related surcharges; and other Tariffed charges, including without limitation, Universal Service Fund charges, Primary Interchange Carrier Charges, and payphone use charges as provided in WorldCom's Tariff(s) or the Price Guide from time to time during the term of the Agreement .

MCI WORLDCOM Inmate rates will become effective 120 days after signing of this contract.

MCI WORLDCOM CYA Ward rates will become effective 30 days after signing of this contract.

INMATE CALLING SERVICES: MCI WORLDCOM Security Collect (with Call Recording capability)

	<u>MILEAGE</u>	<u>RATE PER MINUTE</u>	<u>PER CALL SURCHARGE</u>
Local	All	\$0.15	\$1.50
IntraLATA	All	\$0.15	\$1.50
InterLATA	All	\$0.28	\$2.00
Interstate	All	\$0.89	\$3.95

CYA WARD CALLING SERVICES: MCI WORLDCOM Security Collect (without Call Recording capability)

	<u>MILEAGE</u>	<u>RATE PER MINUTE</u>	<u>PER CALL SURCHARGE</u>
Local	All	\$0.05	\$0.50
IntraLATA	All	\$0.05	\$0.50
InterLATA	All	\$0.05	\$0.50
Interstate	All	\$0.89	\$3.95

OTHER

CONCESSION FEE PERCENTAGE
PAID TO NON-STATE INSTITUTIONS
PURCHASING SERVICES UNDER THIS
CONTRACT

IN*

* Individually Negotiated with each Institution

**EXHIBIT E
(Standard Agreement)**

Attachment XII

LIST OF INMATE/CAMP FACILITIES AND ASSOCIATED INSTALLATION SCHEDULE

AND

NON-STATE INSTITUTIONS AUTHORIZED TO PURCHASE UNDER THIS CONTRACT

	# OF PHONES	INSTALLATION START DATE
CDC INSTITUTIONS		
CRC - NORCO	98	04/03/2002
Solano - Vacaville	105	04/10/2002
San Quentin	66	04/17/2002
RJ Donovan	71	04/24/2002
Pleasant Valley	93	05/01/2002
Mule Creek	82	05/08/2002
CA Medical Facility (CMF)	28	05/15/2002
Avenal	71	05/22/2002
Centinela	93	05/30/2002
Calapatria	85	06/05/2002
Folsom (Old)	57	06/12/2002
Wasco	31	06/19/2002
Deuel Vocational Institute (DVI)	20	06/26/2002
CSP Sacramento (New Folsom)	34	07/10/2002
Sierra Conservation Center (SCC)	47	07/17/2002
Correctional Training Center (CTF)	89	07/24/2002
Valley State Prison (VSPW)	58	07/31/2002
CA Correctional Institute (CCI)	44	08/07/2002
CA Men's Colony (CMC)	28	08/14/2002
Salinas Valley (SVSP)	90	08/21/2002
No. CA Women's Facility (NCWF)	16	08/28/2002
Cent. CA Women's Facility (CCWF)	83	09/05/2002
North Kern (NKSP)	30	09/11/2002
Corcoran II	184	09/18/2002
Corcoran I	117	09/25/2002
Ironwood (ISP)	96	10/02/2002
Chuckawalla (CVSP)	53	10/09/2002
High Desert (HDSP)	96	10/16/2002
Susanville (CCC)	44	10/23/2002
CDC CAMPS		
Action	1	TBD
Alder	2	TBD
Antelope	2	TBD
Baseline	2	TBD
Chamberlain	3	TBD
Cuesta	2	TBD

EXHIBIT E
(Standard Agreement)

	# OF PHONES	INSTALLATION START DATE
Deadwood	2	TBD
Delta	4	TBD
Devils Garden	2	TBD
Eel River	6	TBD
Fenner Canyon	3	TBD
Fanscisquito	1	TBD
Gabilan	4	TBD
Growlers Burg	3	TBD
High Rock	4	TBD
Intermountain	3	TBD
Ishi	3	TBD
Konocti	4	TBD
McCain Valley	4	TBD
Mount Gleason	1	TBD
Mountain Home	2	TBD
Norco	0	TBD
Owens Valley	2	TBD
Parlin Fork	4	TBD
Pilot Rock	1	TBD
Puerta La Cruz	2	TBD
Rainbow	1	TBD
Salt Creek	2	TBD
Sugar Pine	4	TBD
Trinity River	4	TBD
Vallecito	1	TBD
Valley View	2	TBD
CYA FACILITIES/CAMPS		
El Centro	2	TBD
Stockton	73	TBD
Sacramento	8	TBD
Ione	18	TBD
Santa Cruz	2	TBD
Nevada City	2	TBD
El Paso	23	TBD
Whitter	17	TBD
Chino	27	TBD
Norwalk	17	TBD
Camirillo	30	TBD
Pine Grove	2	TBD

TBD = To Be Determined (installation date to be determined based upon agreement between the parties).

**EXHIBIT E
(Standard Agreement)**

Attachment XIII

**RENTAL AND PURCHASE PRICE OPTIONS
FOR
MONITORING AND PLAYBACK EQUIPMENT**

(Applicable only for transition period)

RENTAL² PRICE - EXHIBIT D, PARAGRAPH 2B(5)(a):

Equipment rental prices below Includes all equipment necessary to playback stored records at the facility and the hard disk space on site at the time the rental period starts. In addition, the rental agreement includes playback software upgrades for the rental period, for a maximum of two (2) years).

On-Site Facilities: (must be rented for the site to be used at only. If to be moved to regional location or used with more storage units than allocated to facility, additional costs may apply.)

FACILITY	Monthly Rental Price
CA Rehabilitation Center, Norco (CRC)	\$ 3,000
CA State Prison Solano, Vacaville (SOL)	\$ 3,200
San Quentin State Prison, San Quentin (SQ)	\$ 1,450
RJ Donovan State Prison, San Diego (RJD)	\$ 1,325
Pleasant Valley State Prison, Coalinga (PVSP)	\$ 1,450
Mule Creek State Prison, Lone (MCSP)	\$ 1,525
CA Medical Facility, Vacaville (CMF)	\$ 600
Avenal State Prison, Avenal (ASP)	\$ 2,500
Centinela State Prison, Imperial (CENT)	\$ 1,250
Calapatria State Prison, Calipatria (CALSP)	\$ 1,425
Folsom State Prison, Represa (FOL)	\$ 825
Wasco State Prison, Wasco (WSP)	\$ 600
Deuel Vocational Institute, Tracy (DVI)	\$ 575
CA State Prison Sacramento, Represa (SAC)	\$ 575
Sierra Conservation Center, Jamestown (SCC)	\$ 725
Correctional Training Center, Soledad (CTF)	\$ 2,250
Valley State Prison, Chowchilla (VSPW)	\$ 800
CA Correctional Institute, Tehachapi (CCI)	\$ 1,200
CA Men's Colony, San Luis Obispo (CMC)	\$ 850
Salinas Valley State Prison, Solidad (SVSP)	\$ 1,000
No. CA Women's Facility, Stockton (NCWF)	\$ 200
Cent. CA Women's Facility, Chowchilla (CCWF)	\$ 850
North Kern State Prison, Delano (NKSP)	\$ 500
Corcoran II, Corcoran (COR II)	\$ 2,675
Corcoran I, Corcoran (COR)	\$ 1,075
Ironwood State Prison, Blythe (ISP)	\$ 1,650
Chuckawalla State Prison, Blythe (CVSP)	\$ 2,025

² The State shall notify Contractor its intent to rent monitoring/recording equipment within thirty (30) calendar days of the transition of the first State facility from this Agreement. All State rentals of monitoring/recording equipments shall be for a period of not less than twelve (12) months. State notification to Contractor shall identify each facility at which the State will rent the equipment.

EXHIBIT E
(Standard Agreement)

FACILITY	Monthly Rental Price
High Desert State Prison, Susanville (HDSP)	\$ 925
CA Correctional Center, Susanville (CCC)	\$ 775

Network Based Facilities: (all facilities must be rented as a whole)

Recording for all network based facilities call detail is hubbed in Houston, TX. The following monthly pricing includes only housing and maintaining the data storage in Houston. All data housekeeping will be set to remove recordings over 365 days old. Changes in the housekeeping requirements will result in increased pricing.

Month 1 - \$ 60,000	Month 7 - \$ 30,000
Month 2 - \$ 55,000	Month 8 - \$ 25,000
Month 3 - \$ 50,000	Month 9 - \$ 20,000
Month 4 - \$ 45,000	Month 10 - \$ 15,000
Month 5 - \$ 40,000	Month 11 - \$ 10,000
Month 6 - \$ 35,000	Month 12 - \$ 5,000

Note: Does not include network access to Houston TX hub.

PURCHASE PRICE IAW EXHIBIT D, SECTION 2B(5)(b):

The State may purchase playback units being utilized at facilities obtaining service under this Agreement at a rate of \$5,000 per unit, up to a maximum of four (4) units. Playback units will include hard disk space to hold approximately ten thousand (10,000), fifteen (15) minute telephone calls.

WorldCom is not responsible for preventative or remedial maintenance of purchased units, including equipment support services and software updates. The State shall be responsible for all unit operational issues. Support services are available from the equipment provider (Global TelLink). WorldCom agrees to work with the State for a period of twelve (12) months after purchase to obtain reasonable support pricing from Global TelLink.

RELATED EQUIPMENT RENTAL SUPPORT:

WorldCom will provide to the State support services for any State rented equipment at the following rates:

Off-Site³ Global Tier I and II Technical Support: \$90 per hour

On-Site Technical Support: \$100 per hour (including travel time one-way) and reasonable travel expenses to be approved by the State prior to travel. Per Diem shall be \$35 per day.

Additional Services: Individual Case Basis Pricing

ALTERNATE SOLUTIONS:

³ An analog phone line per system obtaining support is required for support services dial-in capabilities.

EXHIBIT E
(Standard Agreement)

The State and Contractor agree to work in good faith to review alternatives relating to transition of services and the ability of the State to continue to use call recordings during the transition period. The Parties agree to modify this agreement if alternative solutions are agreed to.

ALL MONITORING AND PLAYBACK EQUIPMENT PROVIDED HEREUNDER IS PROVIDED "AS IS" WITHOUT WARRANTIES OF ANY KIND. WORLDCOM MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY EQUIPMENT, MAINTENANCE SERVICE, INSTALLATION SERVICE OR RELATED PRODUCT OR DOCUMENTATION. WORLDCOM SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NONINFRINGEMENT OF THIRD-PARTY RIGHTS. WORLDCOM WILL NOT BE LIABLE FOR ANY DAMAGES ARISING FROM OR RELATED TO ALLEGED VIOLATIONS OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS. THE FOREGOING IS NOT INTENDED TO LIMIT ANY RIGHTS IN THE EQUIPMENT GRANTED TO CUSTOMER BY THE EQUIPMENT VENDOR THROUGH A SEPARATE LICENSE OR WARRANTY AGREEMENT BETWEEN CUSTOMER AND THE EQUIPMENT VENDOR.

**EXHIBIT E
(Standard Agreement)**

Attachment XIV

MONTHLY EARLY TERMINATION COST

AND

TERMINATION CONCESSION FEE REDUCTION

(By institution/camp)

Monthly Early Termination, Cost by Tier:

Tier I	\$ 62,500
Tier II	\$ 39,500
Tier III	\$ 28,500
Tier IV	\$ 10,000
Tier V	\$ 12,500

Institution	Monthly Early Termination Tier Cost Level	Early Termination - Reduction to Monthly Concession Fee Payment Due to State
CRC - Norco	II	\$ 124,100
Solano - Vacaville	I	\$ 150,200
San Quentin (SQ)	III	\$ 58,800
RJ Donovan	II	\$ 61,000
Pleasant Valley	II	\$ 89,300
Mule Creek	II	\$ 91,500
CA Medical Facility (CMF)	III	\$ 32,700
Avenal	I	\$ 161,000
Centinela	II	\$ 80,500
Calapatria	II	\$ 91,500
Folsom (old)	III	\$ 50,100
Wasco	III	\$ 39,900
Deuel Vocational Institute (DVI)	III	\$ 39,900
CSP Sacramento (new Folsom)	III	\$ 32,700
Sierra Conservation Ctr (SCC)	III	\$ 48,000
Correctional Training Ctr (CTF)	I	\$ 148,000
Valley State Prison (VSPW)	II	\$ 56,600
CA Correctional Institute (CCI)	II	\$ 82,800
California Men's Colony (CMC)	II	\$ 61,000
Salinas Valley (SVSP)	II	\$ 61,000
No. CA Women's Facility (NCWF)	III	\$ 13,100
Cent. CA Women's Facility (CCWF)	II	\$ 58,800
North Kern (NKSP)	III	\$ 32,700
Corcoran II	I	\$ 172,000
Corcoran I	II	\$ 69,700
Ironwood (ISP)	II	\$ 74,000

EXHIBIT E
(Standard Agreement)

Institution	Monthly Early Termination Tier Cost Level	Early Termination - Reduction to Monthly Concession Fee Payment Due to State
Chuckawalla (CVSP)	II	\$ 91,500
High Desert	II	\$ 61,000
Susanville (CCC)	II	\$ 52,300
CDC CampsNot Listed Above	IV	\$ 2,000 (per facility)
CYA Facilities/Camps	V	\$ 5,000 (per facility)
Other Facilities		
NONSTATE INSTITUTIONS	INDIVIDUALLY NEGOTIATED	NOT APPLICABLE

- The early termination cost is to be paid to Contractor by the State, or in the case of Non-State Institutions, by the public entity running the facility, for termination of services prior to the end of the Contracts base 36-month term. The parties determine the early termination costs as stated above fair and reasonable.